TO:

CHESAPEAKE OPERATING, INC., PAYOR P.O. BOX 18496

OKLAHOMA CITY, OK 73154

PROPERTY NO: EFFECTIVE: PREPARED BY: DATE PREPARED: PRODUCT/ZONE:

11/9/2010 SCOTT HILL 9/27/2013 OIL & GAS

This agreement is made and entered into on September 27, 2013.

The undersigned severally and not jointly certifies it is the legal owner of the interest set out below of all the oil, gas and related liquid hydrocarbons produced from the property described below:

**OPERATOR** 

CHESAPEAKE OPERATING INC

OWNER NO:

INT TYPE: 2 (RI)

PROPERTY:

RODEO GROUNDS 2H

OWNER:

JOHNSON COUNTY TEXAS

LEGAL DESCRIPTION:

C CHANEY SVY, A-124

UNIT ACRES:

JOHNSON COUNTY, TEXAS

COMMENTS

461.690000

598845

| Status | BPO<br>Net Ac | BPO<br>Lse NRI/RI | BPO<br>Unit Int. | APO1<br>Net Ac | APO1<br>Lse NRI/RI | APO1<br>Unit Int. | APO2<br>Net Ac | APO2 | APO2<br>Unit Int. |
|--------|---------------|-------------------|------------------|----------------|--------------------|-------------------|----------------|------|-------------------|
| PA     | 5.170000      | 0.25000000        | 0.00279949       |                |                    |                   |                |      |                   |

## **DIVISION OF INTEREST**

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR GAS.

The following provisions apply to each interest owner ("Owner") who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interest set out above. The payor shall pay all parties at the price agreed to by the operator for oil and gas to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities in the oil.

PAYMENT: From the effective date, payment is to be made monthly by payor's check, based on this division of interest, for oil runs within 60 days after the end of the month of production and for gas within 90 days after the end of the month of production from the property listed above, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than \$100.00 may be accrued before disbursement until the total amount equals \$100.00, or until July 31st of each year, whichever occurs first. However, the Payor may hold accumulated proceeds of less than \$10.00 until production ceases, or the Payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

<u>DISPUTE: WITHHOLDING OF FUNDS</u>: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

<u>TERMINATION</u>: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs. Any change of interest shall be made effective on the first day of the month following receipt of such notice by payor. Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party. In addition to the legal rights provided by the terms and provisions of this division order, an owner may have certain statutory rights under the laws of this state.

| WITNESS SIGNATURE | SIGNATURE OF<br>INTEREST OWNER | SOCIAL SECURITY/<br>TAX ID NUMBER | MAILING ADDRESS FOR PAYMENT         |
|-------------------|--------------------------------|-----------------------------------|-------------------------------------|
| Deblie Rich       | 10-15-13                       | 75-6001030                        | HZ North Main<br>Clebuxne, Tx 76033 |
| HOME PHONE NUMBER | CELL PHONE NUMBER              |                                   | CORRESPONDENCE ADDRESS              |
| WORK PHONE NUMBER | FAX NUMBER                     |                                   | EMAIL ADDRESS                       |
|                   |                                |                                   |                                     |

Fallure to furnish your Social Security/Tax I.D. number will result in withholding tax in accordance with federal law, and any tax withheld will not be refundable by payor.

PLEASE RETURN THIS COPY