LEGACY ENERGY FORMS ROYALTY OWNER FORMS

MASTER INDEX

This is an Index of the forms on the Kanes Royalty Owner Forms Program. It is divided into Topical Sections, with all the forms in each Section listed alphabetically. In addition to this Index, each Topical Section of the Program begins with the Index of the forms in that Section.

For reference, you may wish to "Quick Print" this Index. This will enable you to review the list of forms available, at any time.

The Index for many of the Sections, in addition to listing the forms included in the Section, provides a brief explanation of each form and how the form may be used.

ACKNOWLEDGMENTS

Alabama Arizona Arkansas California Colorado Florida Georgia Idaho Illinois Indiana Iowa Kansas Kentucky Louisiana Maryland Michigan Mississippi Missouri Montana Nebraska Nevada New Mexico **New York** North Dakota Ohio Oklahoma Pennsylvania South Dakota Tennessee Texas Utah Virginia West Virginia Wyoming

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AFFIDAVITS

Affidavit As To Termination of Joint Tenancy with Right of Survivorship by Surviving Tenant (One Tenant is Deceased): This Affidavit is evidence that one of the tenants to a joint tenancy is deceased.

Affidavit As To Termination of Lease (Due to Lack of Operations or Production After End of Primary Term): This Affidavit provides facts addressing the matter of whether a lease is perpetuated by operations or production.

<u>Affidavit As To Termination of Life Estate (Created by Deed/Assignment)</u>: This affidavit provides for a death certificate of the deceased life tenant to be attached. It is evidence of the death of the life tenant and names the remaindermen.

Affidavit As To Termination of Option (On Option to Conduct Seismic Activity and Acquire Oil and Gas Lease): This Affidavit provides facts concerning the termination of an option to conduct seismic activity and a lease being granted.

<u>Affidavit of Banker (Non Deposit of Rentals)</u>: If a lease provides for the payment of rentals to a depository bank to maintain it during the primary term, this affidavit is a statement by the bank that a rental payment was not made, evidencing the lease terminated, in its primary term.

Affidavit of Cessation of Production and Plugging of Well (Specifying Date of Last Royalty **Payment)**: As evidence that an oil and gas lease has expired, a mineral owner may elect to complete and file of record an affidavit of this type.

Affidavit of Identity (As to Person Identified by More than One Name in the County **Records**): If a person is identified by more than one name in the records (for example, in one deed a party is identified by his/her full name and middle initial, and in another deed, only by initials for the first and middle name), an Affidavit of this type will clarify that the two similar, but different names, refer to the same person.

Affidavit of Nondevelopment and Nonproduction (No Production of Operations Since Specified Date): If evidence is needed that there has been no production or operations on a lease, this Affidavit provides those facts.

Affidavit of Nondevelopment and Nonproduction (No Recent Production, No Recent **Drilling**): This is another form of affidavit providing facts of the lack of production and drilling that may be required to maintain an oil and gas lease in effect.

Affidavit of Nonpayment of Delay Rentals (Lessor's Affidavit Regarding Nonpayment by Lessee): If a lease provides for payment of delay rentals to maintain it during its primary term, a failure to timely pay rentals results in its termination. This Affidavit states facts evidencing rentals were not paid.

<u>Affidavit of Nonproduction</u>: This Affidavit states facts that there was not production from lands covered by a lease, with the added recital that delay rentals, as called for in the lease have not been paid. These facts establish the lease was not perpetuated during its primary term by rental payments, or in the secondary term, by production.

<u>Affidavit of Possession By Tenant</u>: This Affidavit states facts concerning a tenant's use of the land. It serves as evidence that the tenant makes no claim to ownership in the lands it describes, and the owner is in possession of the lands.

Affidavit That All the Estate Assets Have Been Distributed To Devisees (By Executor or Estate Representative With Statement Concerning Debts and Taxes): Some states (like Texas) do not provide for the formal closing of an estate, or that an order be entered to that effect. On being advised that an estate has been closed, and distribution of the estate's assets are to be made to devisees, a purchaser of production may request some evidence that all debts and taxes of an estate have been paid or provided for. This Affidavit provides evidence that an estate is closed, and debts and taxes are paid or provided for.

AGENT DESIGNATIONS AND POWERS OF ATTORNEY

<u>Agreement Designating Agent to Lease Mineral Interests</u>: This agreement provides for a mineral owner to designate a person as his/her agent for purposes of dealing with third parties, and representing the owner in leasing mineral interests. The agreement sets out, in detail, the lease terms, the compensation to be paid to the agent, the method of delivering compensation, the term of the agreement, and provides for a description of the lands covered by the agreement.

Delay Rental Payment Agreement (Multiple Owners Directing Payment of Rentals Provided for in a Lease to an Agent): This agreement provides for owners to designate an agent to receive rentals provided for in a lease. This form may be used by related parties who wish to designate one agent to handle all rental payments and make regular disbursements.

Direction for Payment of Royalty to Trustee (By Royalty Owners): This is a form of directive by parties for their royalty interests to be paid to a trustee. This direction for payment may be sent to an operator or disburser of production. It facilitates one payment to a party for numerous interests.

Durable Power of Attorney (For Limited Purposes of Executing Division Orders and Transfer Orders): This form is described in the title. If an agent/attorney in fact signs a division order for a third party, the disburser of production will most probably call for an original of this power of attorney to accompany the signed division order, or a copy of a recorded power of attorney accompany the division order.

Durable Power of Attorney (To Execute Oil and Gas Lease): This power of attorney grants an agent the authority to execute oil and gas leases on behalf of a mineral owner. The power of attorney is durable and will not terminate on the disability or incapacity of the person granting the power of attorney.

Durable Special Power of Attorney (Granting the Agent the Right to Execute Oil and Gas Leases, Attendant Instruments, and Deal with Oil and Gas Properties): This power of attorney grants the agent/attorney in fact more comprehensive powers in dealing with oil and gas properties. By being durable, it allows the agent to execute oil and gas leases and otherwise deal with properties after the disability or incapacity of the principal/owner.

Lessor's Appointment of Agent to Receive Rentals: This form is a designation of an agent by a lessor, granting another party the right to receive rentals.

Limited Power of Attorney (To Deal With Oil and Gas Properties): This limited power of attorney grants the agent/attorney in fact powers to deal with oil and gas properties. It is not durable.

<u>Revocation of Power of Attorney (A Recorded Power of Attorney)</u>: If a principal has granted an agent/attorney in fact a power of attorney which has been recorded, any revocation of that power of attorney should also be recorded.

<u>Revocation of Power of Attorney (An Unrecorded Power of Attorney)</u>: This revocation serves to terminate the authority of an agent/attorney in fact, under an unrecorded power of attorney.

CONSENTS

Consent By Tenant To Right of Way Agreement: This form provides for a tenant on the surface of the lands to consent to a right of way granted by the landowner. It provides the tenant will be paid for any damages to the tenant's crops or other property, resulting from the use of the surface, under the terms of the right of way agreement.

<u>Consent To Assignment (By Lessor)</u>: Some leases require the consent of the lessor to any assignment to be made of a lease by the lessee. This form provides for that consent, specifically providing that it will not be deemed a consent to any subsequent assignments made of the lease.

<u>Consent to Well Location (By Lessor and Surface Owner)</u>: A lease may require the lessor/surface owner's consent to a well location, before the well is drilled by a lessee. This form provides for that consent, specifying the exact location where the well will be located.

DEEDS - GENERAL

Agreement to Partition Community Property (Creating Joint Tenancy With Right of Survivorship): In some community property states (notably Texas), it is now permissible for a husband and wifes to partition community property to create different forms of ownership. This agreement, which contains words of grant, serves to partition community property interest and create a joint tenancy with right of survivorship as to each party's partitioned interest.

Deed and Assignment (From Individual to a Trust): With increasing frequency, individuals are transferring their mineral and royalty interests into trusts. Merely creating the trust is not adequate to accomplish this transfer. The individual must also transfer, by deed and/or assignment, the interest to the trust. This form addresses that situation.

Deed and Assignment (From Trustee to Trust Beneficiaries): This form addresses the situation where properties are held in trust and the trustee desires to transfer those properties to the beneficiaries named in the trust agreement.

Deed in Lieu of Prior Deed (To Correctly Identify the Amount of Interest Intended to be Conveyed: This form addresses the situation where a deed has been granted, only to determine that the interest described in the deed was incorrect. Rather than executing and delivering another deed, which may give rise to the question of whether there were two deeds, this form serves to convey the corrected interest and specifies that it is in lieu of the previously delivered deed.

Executor's Deed of Distribution: On the conclusion of the administration of an estate, it is often useful for the Executor to execute a deed to the beneficiaries under a will. This form addresses that situation.

<u>Gift Deed</u>: This Gift Deed conveys to the Grantee all of the Grantor's interest in lands (including all surface, mineral, and royalty interests).

<u>Partition Deed (Mineral/Royalty Interests)</u>: If parties, owning undivided interests in lands, desire to partition those interests so that each party owns the entire interest in a particular tract of land, this may be accomplished by a partition deed. This form addresses that situation.

Stipulation, Deed, and Assignment (By Trustee): If a Trustee has been conveyed interest and desires to distribute those interests to the beneficial owners under the terms of the trust, it is necessary that the Trustee execute a deed to those parties. This form addresses that situation.

Trustee's Deed and Assignment (Distribution by Trustee to Testamentary Trust Beneficiaries): This is another form of deed in which a Trustee of a trust, created under the last will and testament of a deceased party, distributes the assets and interests out of the trust to the beneficiaries named in the trust created under the terms of the deceased's will.

<u>**Trustee's Deed and Assignment (Distribution of Trust, Oil and Gas Properties)</u></u>: If interests have been conveyed to a trust and the Trustee is prepared to distribute those interests to the beneficiaries named in the trust, this form addresses that situation.</u>**

<u>Warranty Deed (Surface and Mineral Interests, Multiple Grantors)</u>: This is a warranty deed of all interests in surface and minerals from multiple grantors to a single grantee.

DEEDS - MINERAL

<u>Gift Deed of Mineral Interest (With No Warranty)</u>: This form of deed conveys an interest in minerals, as a gift. In States, such as Texas, recognizing community property, a gift deed creates separate property in the grantee.

<u>Mineral Deed (Grantor Reserving Nonparticipating Royalty Interest)</u>: This form of deed conveys the grantee an undivided mineral interest, with the grantor reserving a nonparticipating royalty interest out of the interest conveyed.

<u>Mineral Deed (With Grantor Reserving Executive Rights in the Interest Conveyed)</u>: This form of deed conveys the grantee a specified undivided mineral interest, with the grantor reserving the right to sign leases (the executive right) on the interest conveyed.

<u>Mineral Deed (With Limited Warranty</u>): This deed form conveys an undivided interest in minerals in specific lands.

<u>Stipulation of Ownership of Mineral Interest (In Specific Lands)</u>: This stipulation form is intended to be executed by parties, all of whom own undivided mineral interest in specific lands, to clarify/specify each party's undivided interest.

<u>**Term Mineral Deed (Undivided Interest)</u>**: This deed form conveys a mineral interest for a specified term, to be designated by the grantor, after which time, the conveyed interest reverts to the grantor.</u>

DEEDS – QUIT CLAIM

Quit Claim Deed (All of Grantor's Interest): This deed form provides for the Grantor to convey and quit claim to the Grantee all of the Grantor's interest, whatever it is, in specific lands.

Quit Claim Deed (Mineral/Royalty Interest): This form of deed addresses the situation where a party has been identified as owning an interest in a particular tract of land, but the party makes no claim to the interest. This form allows the party to Quit Claim and relinquish all claimed interest to the owner or owners of the interest.

Quit Claim Deed (Of Life Estate Interest Created Under a Will, to the Remainderman): It is not uncommon for a will to provide that a person be devised a life estate interest in mineral or royalty interests, and on the death of that person, the remainder of the interest to pass to another party. This deed form provides for the owner of a life estate, devised under a will, to quit claim that life estate interest to the owner of the remainder interest.

DEEDS - ROYALTY

<u>Commingling and Entirety Agreement (By Royalty Owners where the Royalty Ownership</u> <u>Varies in Lands Subject to a Lease</u>): It is not uncommon to encounter a situation where a mineral owner owns all the mineral estate in a tract of land, but the royalty interest in that tract has been divided and conveyed to a number of parties; i.e., the royalty ownership is not common in the entire tract. If a lease is granted by the mineral owner on the entire tract, and the lessee intends to develop the entire tract as a producing unit, the royalty owners may desire to enter into an agreement providing for all royalty owners in the tract to participate in production royalty, regardless of where the well is actually located on the tract. This form of agreement accomplishes this objective.

<u>Gift Deed of Nonparticipating Royalty Interest (With No Warranty)</u>: This form provides for a conveyance of a nonparticipating royalty interest in specific lands.

Royalty Deed (With Limited Warranty): This form conveys a royalty interest with a limited warranty.

<u>**Term Nonparticipating Royalty Deed (From Mineral Owner):**</u> This form provides for a conveyance of a royalty interest, for a term, by a mineral owner grantor.

<u>**Term Royalty Deed:**</u> This form conveys a royalty interest for a specified term of years. If there is production at the end of that term, or the lands are subject to an oil and gas lease, the interest will continue to be owned by the grantee until production ceases.

<u>**Term Royalty Deed (For Term of Existing Lease):**</u> This form provides for a conveyance of a royalty interest for a term, the duration of which is the "life" of an existing oil and gas lease.

<u>Term Royalty Deed (Terminates Upon Expiration of Lease</u>): This form provides for a conveyance of royalty for a limited period of time. The interest conveyed terminates and reverts to the Grantor when the identified oil and gas lease terminates.

DEEDS – SURFACE

Boundary Line Agreement and Deed (Between Adjacent Land Owners): This form of agreement and deed addresses the matter of the uncertainty of the exact location of the boundary line between two tracts of land owned by different parties. In that it establishes a definite

boundary line of the two tracts, it also provides that the mineral estate under the lands is owned in the same manner as the surface of the lands.

Partition Deed (Surface Estate): When parties own undivided interest in the surface of lands, if they desire to divide the lands so that each party owns, separately, a particular tract, this can be accomplished by the parties partitioning the lands. Then, each will own a separate part of the lands in which all the parties owned an undivided interest. This form of Partition Deed accomplishes this objective.

<u>Warranty Deed (Surface; Limited Warranty)</u>: This form of deed conveys the surface estate in existing lands pursuant to a contract of sale.

DIVISION ORDERS

NADOA Model Form Division Order (Adopted 9/95): This is the model form which many companies now use.

Royalty Owner's Indemnity Agreement (On Interest With Title Dispute): This form provides for payment to an "Owner" that claims an interest that is the subject of a dispute or on which there is a title problem.

<u>Royalty Owner's Statement of Ownership</u>: This form is, in effect, a stipulation by owners, for the benefit of a payor and may be used in place of a division order, if acceptable to a payor.

Royalty Owner's Supplement to Purchaser's Division Order or Transfer Order: This form is a supplement that may be attached to any form of division order. It serves to amend the terms of a division order that may contain objectionable provisions which attempt to make a division order more than a direction for payment.

LEASE RIDERS

Abstracts (1 form)

Acceptance of Terms by Lessee's Assigns (1 form)

Access by Lessor (3 forms)

Assignments of the Lease (8 forms)

Audit of Lessee's Books and Records (1 form)

Breaches of Lease Terms (2 forms)

Conflicts Between Printed Form and Added Terms (1 form)

Continuous Development; Retained Acreage; and Depth Limitations (6 forms)

Conversion of an Oil or Gas Well to an Injection or Water Well (3 forms)

Deductions from Royalty (4 forms)

Depth Limitation (3 forms)

Division Orders (3 forms)

Drilling Requirements (2 forms)

Execution of Lease by Less than All Lessors (2 forms)

Express Covenants (1 form)

Extension of Primary Term of Lease (7 forms)

Favored Nations (2 forms)

Fences, Gates, Cattle Guards, Roads, Bridges, Culverts: Construction, Use and Maintenance (11 forms)

Force Majeure (3 forms)

Freestone Rider

Fresh Water Protection (2 forms)

Fresh Water Use and Limitations (21 forms)

Gas Prices and Sales Contracts (4 forms)

Geophysical and Seismic Operations (6 forms)

Indemnification of Lessor (6 forms)

Information to be Furnished to Lessor (5 forms)

Limitation on Substances Covered by Lease (9 forms)

Litigation Costs (2 forms)

Livestock Protection (3 forms)

Location of Wells, Lines, Roads, Tank Batteries, and Other Structures (9 forms)
Maintenance of Operational Areas, Control of Debris and Weeds (5 forms)
Minimum Royalty Payments (2 forms)
Notices (2 forms)
Offset Well Protection and Payment of Compensatory Royalty (5 forms)
Pipeline Easements (2 forms)
Pipelines: Laying and Burying (2 forms)
Plugging Requirements (3 forms)
Pooling (27 forms)
Pugh Clause
Reasonable Development (1 form)
Reentry of Wells (1 form)
Release of Lease (6 forms)
Removal of Lessee's Equipment and Personal Property (6 forms)
Reservation of Additional Interests in Production (7 forms)
Reservation of a Call On, or Preferential Right to Purchase Production by Lessor (3 forms)
Royalty Payments (10 forms)
Salt Water: Disposal, Storage, and Handling (22 forms)
Separate Leases on Multiple Tracts of Lands Described in One Oil and Gas Lease (3 forms)
Shut-In Gas Royalty (12 forms)
Shut-In Oil Royalty (1 form)
Surface Damage Payments (22 forms)
Surface Pits (2 forms)

Surface Restoration and Reparation (14 forms) Surface Use By Lessee and Accommodation With Use of the Surface (7 forms) **Surface: Unauthorized Use (6 forms)** Survey of Lands Included in Producing or Proration Units (1 form) Take or Pay Gas Contracts (1 form) Taking or Marketing Royalty Oil and Gas in Kind (7 forms) **Termination of Lease as Part of Lands (9 forms)** Theft of Production: Prevention by Lessee (1 form) **Title Curative (2 forms) Top Leases (3 forms) Top Leasing Prohibition (1 form)** Use of Produced Oil or Gas by Lessor (1 form) Warranty (5 forms) Water Wells Drilled by Lessee (3) LEASES - OIL AND GAS - LESSOR FORMS

Lessor Form "A": Paid Up.

Lessor Form "B": Paid Up.

Lessor Form "C": Paid Up.

Lessor Form "D": Rental Form.

Each of the lease forms contain many detailed provisions not found in a "standard" oil and gas lease form. Due to their length, a summary would not adequately describe each of the terms. It is suggested that if you consider adopting one of these forms for regular use, that you print the form and closely read and review it. All of these lease forms are formatted in 8-1/2" x 14" (legal size). The "Quick Print" function will print the leases on 8-1/2" x 11" (letter size). For easier review, you may wish to "Save" the form, so that it may be printed on legal size paper for review.

MISCELLANEOUS FORMS

<u>Assumed Name Certificate</u>: This form may be used to identify, and establish of record, an assumed name an owner may adopt for a ranch, farm, or any other business or activity.

<u>Bill of Sale and Quit Claim (By Surface Owner of all Interest in Equipment Deemed</u> <u>Abandoned on Surface Owner's Lands</u>): Sometimes a surface owner has abandoned equipment left on land, and wants to dispose of it. While title to that property is not entirely clear, this form provides some documentation of a transfer of that property.

<u>Bill of Sale for Equipment (In Consideration of Buyer Assuming Plugging Obligation)</u>: If an operator elects to abandon wells, a landowner may want to take the wells over, to continue to produce them, or convert them to some other use. This form provides for a transfer of the equipment in exchange for the assumption of the obligation to plug the well(s).

<u>Conveyance of Right to Make Free Use of Gas (Provided for in an Oil and Gas Lease)</u>: If a lessor has retained the right to use gas, this form provides for the transfer of this right to the surface owner of the lands covered by the oil and gas lease granted by the lessor.

<u>Oil/Gas Management and Service Agreement</u>: This is an agreement in which an owner grants a "manager" the authority to provide services pertaining to an owner's mineral and royalty interests.

<u>Receipt for Abstracts</u>: This form provides a record of the abstracts an owner delivers to a third party for use in examining title.

NOTICES

Lessor's Notice of Election To Take Royalty In Kind: Many forms of oil and gas leases allow the lessor to take the royalty share of oil (and sometimes gas) in kind. This form is a notice by a lessor, to be delivered to a lessee, of the lessor's intent to exercise that right under the terms of a lease, and take the lessor's share of royalty production in kind.

Notice of Claim of Breach of Oil, Gas, and Mineral Lease (By the Original Lessor's Successor): Most leases require a lessor give a lessee a written notice of any claimed breach of the lease. The lessee is usually granted a period of time in which to remedy the breach before a claim can be made for damages or that the lease is terminated. This form is a "second" notice to a lessee. It is prepared for signature by the successor to the original lessor. It provides that a letter has been sent to the lessee notifying the lessee of the claimed breach. This notice, once recorded, is constructive notice that the lease is deemed to have expired for failure of the lessee to remedy the claimed breach. **Notice of Claim of Mineral Interest (Dormant Mineral Interest):** The information provided with the form identifies states that are known to have enacted dormant interest statutes. The form provided is a general form, which may not meet the statutory requirements of all states listed. This form may be supplemented or amended to meet a state's specific statutory requirements, if possible, to assert a claim of ownership to avoid the loss of an interest.

Notice That Lessor Does Not Consent To Assignment: A lease may require a lessor consent to any assignment of the lease. This form is a notice that the lessor does not consent to the assignment. A lease may provide that if the lessor does not consent, the assignment is ineffective or void. When filed of record, this serves as constructive notice that any assignment of the lease made by the lessee has not been consented to, and results in the consequences provided for in the lease.

RATIFICATIONS

<u>Ratification (of Prior Deed)</u>: This form provides for a grantor to ratify an existing deed so that the grantee in the deed is deemed to have acquired all of the grantor's interest in the lands that are the subject of the deed.

<u>Ratification of Royalty Commingling Agreement</u>: A commingling agreement may have been entered into allowing the parties to the agreement to share in royalty based on agreed upon percentages, typically where royalty is not common in all the lands included in a producing or proration unit around the well. If a party did not sign the original agreement, they may ratify the agreement. This will have the same effect as the ratifying party having executed the original or a counterpart of the agreement.

Ratification of Oil and Gas Lease (By Party Claiming an Outstanding or Adverse Interest): This form addresses a situation in which a party may claim an interest in minerals, but a dispute exists as to that party's title. By executing a ratification, this allows the lessee to an oil and gas lease to proceed with its exploration activities, without concern that there may an unleased interest.

RELEASES

<u>Mutual Release of Oil and Gas Lease (Signed by Both Lessor and Lessee)</u>: This form provides for a mutual release of an oil and gas lease.

<u>Partial Release of Mortgage/Deed of Trust</u>: This form provides for a partial release of a mortgage/deed of trust on lands.

Partial Release of Mortgage/Deed of Trust (On a Mineral/Royalty Interest Sold by Grantor): If an owner of a mineral or royalty interest, whose interest is subject to a mortgage/deed of trust, desires to sell or convey an interest, it is appropriate to obtain a release of that lien as to the interest conveyed. This form addresses that situation. **<u>Partial Release of Oil and Gas Lease (As to Depth)</u>:** This form presupposes an oil and gas lease provides for a termination of the lease as to depths. It is prepared for execution by the lessee to release subsurface depths as provided for in a lease.

Partial Release of Oil and Gas Lease (As to Part of Lands Covered by Lease): This form provides for the lessee to release a part of the lands covered by an oil and gas lease.

<u>Partial Release of Oil and Gas Lease (Multiple Lessees)</u>: This form provides for a partial release of an oil and gas lease by multiple lessees. These parties are most probably assignees of the original lessee. To be fully effective, all owners of the lease should execute a release.

Partial Release of Oil and Gas Lease (Where a Lease Grants the Lessee the Right to <u>Release</u>): Most oil and gas lease forms allow a lessee to release all or part of a lease at any time. This form addresses that situation.</u>

<u>Release for Damages (Drilling Operations)</u>: This is a general release by a landowner to a lessee.

<u>Release of Judgment Lien</u>: If an owner of an interest in real property has had a judgment obtained against him or her, this form addresses a release of that judgment lien.

<u>Release of Lien Claim</u>: This form provides for a release of any type of materialman's, mechanic's or other contractor's lien that may have been filed against an owner's interest.

<u>Release of Mortgage/Deed of Trust (Full Release)</u>. As opposed to a partial release, this is a full and complete release of a mortgage/deed of trust. Care should be taken to properly identify the deed of trust that is being released.

<u>Release of Mortgage/Deed of Trust (Short Form, Release on Real Estate)</u>: This is another form of release of mortgage/deed of trust.

<u>Release of Oil and Gas Lease (By Present Lessee)</u>: This form of release is for execution by a party who is the present owner of a lease, but was not the original lessee.

Release of Oil and Gas Lease (By Subsequent Owner of Lease on Part of Lands Subject to the Lease): If the original lessee has assigned the lease to a third party, and that party desires to release a part of the land subject to the lease, this form addresses that situation.

<u>Release of Oil and Gas Lease (Full Release)</u>: This is another form of release of oil and gas lease.

<u>Release of Right of Way/Easement</u>: This form provides for a release by the owner of a right of way so that the right of way no longer exists.

Release (or Partial Release) of Oil and Gas Lease (Includes Lessor's Release of Claims against Lessee): This is another form of release of oil and gas lease, but it includes the lessor's release of any claims against the lessee attributable to the lessee's operations on the lands.

SUBORDINATIONS

<u>Subordination (Vendor's Lien Retained by Grantor in Warranty Deed)</u>: If a person has purchased land, and the grantor in the deed reserves a vendor's lien, that lien is superior to any subsequent grants by the owner of the land, including any oil and gas lease entered into at a later date. This form provides for the lienholder to subordinate a retained vendor's lien to an oil and gas lease on the lands that are the subject of the vendor's lien.

Subordination Agreement (No Reservation by Lienholder): This form provides for a lienholder to subordinate all its interests in liens created by a deed of trust or mortgage, to an oil and gas lease on the lands that are the subject of the lien.

<u>Subordination by Lessee (Of Right to Use All or Part of Surface Estate)</u>: If the minerals have been severed from the surface of lands, with the mineral estate, in many states, being the dominate estate, the mineral owner has the right to make use of as much of the surface as is reasonably necessary to develop those minerals. If the minerals have been leased, and the surface owner desires the lessee not to enter on specific lands, the surface owner may obtain a subordination from the mineral lessee to that effect. This form addresses that situation.

<u>Subordination by Mineral Owners (Of Rights to Make Use of the Surface Estate)</u>: This form addresses the situation in which mineral owners, as owners of the dominant estate, agree to relinquish their rights to make use of the surface of specific lands in which they own mineral interests.

Subordination of Mortgage/Deed of Trust to Oil and Gas Lease (With Bonus and Royalty Payments to go to Lessor until Notice from Lienholder): This form provides for a lienholder to subordinate its lien, created by a mortgage or deed of trust, to an existing oil and gas lease, and directs the bonus and rental payments provided for in the lease to be delivered to the lessor until notified by the lienholder.

<u>Surface Tenant's Subordination (Subordination to an Oil and Gas Lease</u>): If an oil and gas lease has been granted on lands in which there is a surface tenant, it may be necessary or advisable to obtain a subordination of the agreement or lease with the surface tenant, to the oil and gas lease. This form provides for that subordination and directs the manner in which compensation for any damages shall be paid.

SURFACE USE AGREEMENTS AND LEASES

<u>Agreement Concerning Surface Equipment (Between Operator and Surface Owner</u> <u>Concerning Construction of Ramps for Circular Irrigation Systems)</u>: This form addresses the situation where lands are under cultivation on which a circular irrigation system is used and the mineral lessee is to construct ramps over surface equipment so that the irrigation system will not be impeded.

Farm Land Lease: This is a short form lease allowing a lessee to make use of identified lands for agricultural purposes.

Hunting and Fishing Lease (Short Form): This lease is for a one year term, with the option to renew it from year to year. It requires the lessee to maintain liability insurance.

Hunting Lease Agreement: This is a longer form of hunting lease that specifies the lessee's duties and rights. It includes as an exhibit a Release of Liability to be signed by the Lessor.

Lease Agreement (Surface of Lands, Grazing, and Livestock Operations): This lease is for a term of years and requires the lessee to pay for all utilities used and maintain all improvements on the leased property.

<u>Surface Lease Agreement (For Oil and Gas Facilities)</u>: This form provides for a surface owner to grant a lessee the right to make use of the surface of the lands for the purposes of establishing oil and gas related facilities.

<u>Surface Lease Agreement (For Production Equipment and Facilities)</u>: This form of agreement allows for a lessee to make use of the surface in consideration for an annual payment to the lessee.

Surface Use Agreement (Establishing Amounts Lessee Will Pay for Road and Location Damages): This is a form of agreement that would be entered into in connection with an oil and gas lease and provides for the sum to be paid for drill site locations and roads.

<u>Surface Use Agreement (Operator's Production Equipment to Be Located in Cellars)</u>: This agreement addresses the situation where the landowner utilizes irrigation systems that would be impeded by a lessee's equipment being located on the surface of the grounds. This agreement provides for the lessee's equipment to be located in cellars.

Surface Use Compensation Agreement: This Agreement contemplates the lessor in an oil and gas lease is also the surface owner. It provides for the lessee to pay specific sums for each enumerated activity the lessee conducts on the land covered by the oil and gas lease and this Agreement.

WAIVERS

Waiver of Lease Provision (By Lessor Who Owns Surface, Prohibiting Drilling Within

Specified Distance of Structure): This form serves to amend an oil and gas lease to allow a lessee to drill at any location on lands subject to a lease, including a location in close proximity to a building or structure on the lands subject to a lease.

<u>Waiver of Lease Provision (By Owner of Surface of Lands)</u>: This form addresses provisions that may be contained in an oil and gas lease restricting the use of the surface of lands. The form provides for the lease restrictions, contained in a lease, to be identified in the document.

WATER USE/DISPOSAL AGREEMENTS AND LEASES

Fresh Water Purchase Agreement (Between Landowner and Operator for Use in Secondary Recovery Operations. Long Form): This form is an agreement between parties providing for the sale of water to a lessee for use in secondary recovery operations.

Fresh Water Purchase Agreement (Exclusive Agreement Between Landowner and Operator for Use of Landowner's Water in Secondary Recovery Operations. Short Form): This is another form agreement providing for the sale of water. It is shorter in length and does not contain all of the provisions contained in the previous form.

<u>Nonexclusive Salt Water Disposal Lease (Between Surface Owner and Operator)</u>: This form is a salt water disposal lease. It is nonexclusive and provides for payments to be made to the lessor for each barrel of water injected.

<u>Salt Water Disposal Agreement (Using Existing Well)</u>: This form is an agreement allowing a lessee to use an existing well bore for the purposes of disposing of salt water.

<u>Salt Water Disposal Lease</u>: This is a short form of lease granting a lessee the right to drill and use a salt water disposal well.

Salt Water Disposal Lease (Using Existing Well Bore to Dispose of Water from Wells on Lessor's Lands): This is another form of agreement authorizing the use of an existing well bore for the disposal of water.

<u>Salt Water Disposal Lease and Agreement (Using Existing Well Bore)</u>: This form is an agreement which may be entered into by a surface owner whose lands are not subject to an oil and gas lease.

Salt Water Disposal Well Agreement (Between Surface Owner and Off Premises Operator): This form is an agreement between a surface owner allowing an off premises operator to dispose of water under the owner's lands.

Surface and Salt Water Disposal Lease (Well to be Drilled by Lessee for Disposal of Water Produced by Others): This form is an agreement allowing a lessee to drill a well on the owner's lands and dispose of water produced from other lands.