

AGREEMENT.

Received for record the 29th day of May A.D. 1934, at 2 o'clock P.M.

HUGH CAMPBELL and MABEL CAMPBELL

WITNESSES

TO

MICHIGAN PUBLIC SERVICE COMPANY

H. G. Hockman

Register.

THIS AGREEMENT, Made this 28th day of May 1934 between the Michigan Public Service Company, a Michigan corporation, hereinafter called the Electric Company, and Hugh Campbell and Mabel Campbell, his wife of Livingston, Otsego County, hereinafter called the owners, WITNESSETH, that in consideration of the payment by the said Electric Company of the sum of One Dollar (\$1.00) and other considerations, receipt of which is hereby acknowledged, the said owners do hereby grant unto the said Electric Company, its successors and assigns, the right, privilege and authority, to construct, erect, operate and maintain electric transmission lines, including the necessary poles, wires and fixtures, over, across and upon the following premises and real estate in the Township of Livingston, County of Otsego and State of Michigan, to-wit:

That part of the NE 1/4 of Section 16 T. 31. N. R. 3 W. Livingston Township Otsego County, Mich., lying between the Mich., Central Railroad right of way and Highway U S- 27. ~~xxx~~ This is that parcel of land lying East of the Railway

right of way and West of the Highway U S- 27. Also SW 1/4 of SW 1/4 Sec. 15 T. 31 N. R. 3 W. including the right, privilege and authority to cut and trim any trees interfering with, or menacing said lines, and to put in place necessary guy wires and brace poles, and to do all things necessary to erect and maintain said electric transmission lines as may be reasonable and proper, including the right of said Electric Company, its agents, and employees to enter upon said land for said purposes. The number of poles to be erected upon said premises shall be limited to _____ and the said poles shall be erected and maintained upon said premises on locations and at places suitable and convenient to the owner's use of said premises, and with the least detriment to said land.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this day and year first above written.

Signed, Sealed and Delivered in Presence of:
H. G. Hockman

Hugh Campbell (Seal)

C. L. Mosher

Mabel Campbell (Seal)

STATE OF MICHIGAN, }
COUNTY OF OTSEGO. } ss

On this 28th day of May, 1934, before me, a notary public personally appeared Hugh Campbell and Mabel Campbell, to me known to be the persons who executed the foregoing instrument and who have acknowledged the same to be their free act and deed.

H. G. Hockman, Notary Public,
Cheboygan County, Michigan.
Acting in Otsego County, Michigan.

My commission expires March 15, 1938.

(SEAL)

ORIGINAL PAPERS

PAID-UP
OIL AND GAS LEASE

Producers 88--Revised
Michigan

THIS AGREEMENT made and entered into this 8 day of August 19 81 by and between DALE A. POWERS AND KATHLEEN D. POWERS, each individually and as the spouse of each other of 1695 Springwood, Gaylord, Michigan 49735 of SUN OIL COMPANY (DELAWARE) hereinafter called lessor (whether one or more), and P.O. Box 30, Dallas, Texas 75221 hereinafter called lessee;

WITNESSETH: that lessor, for and in consideration of TEN AND MORE DOLLARS \$ 10.00 in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively to said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas, and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of OCEANOGRAPHY

State of Michigan, and being described as follows, to-wit: Beginning at an iron stake on the Northwestern line of Old U.S. 27 which is 977.42 feet North and 301.27 feet West of the East 1/4 corner of Section 16, T. 31N., R. 3W., thence Northeasterly along said Northwestern line of Old U.S. 27 a distance of 380 feet, thence West a distance of 500 feet, more or less, to the Easterly line of the railroad right-of-way, thence Southerly along said railroad right-of-way a distance of 740 feet, thence Easterly a distance of 190 feet, more or less, to a point which is North 51 degrees 19' 40" West 69.35 feet and North 76 degrees 53' West 77.42 feet from the point of beginning, thence South 76 degrees 53' East a distance of 77.42 feet, thence South 51 degrees 19' 40" East a distance of 69.35 feet to the point of beginning.

STATE OF MICHIGAN
COUNTY OF OCEANOGRAPHY
RECORDED
3rd DAY OF
AUGUST 1981 AT 10:00
A. I. M.
OILIER
Arlis J. Hascock
REGISTER OF DEEDS

of Section 16 Township 31 N Range 3 W, it being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 4.25 +/- acres.

Subject to the other provisions herein contained, this lease which is a "paid-up" lease requiring no rentals shall remain in force for a term of FIVE (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after each such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth ($\frac{1}{8}$) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth ($\frac{1}{8}$) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth ($\frac{1}{8}$) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth ($\frac{1}{8}$) of the prevailing market price at the well for the gas so used.

If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated with all or a portion of the leased premises into a unit for the drilling or operation of such well) is at any time shut in and no gas or gas-condensate therefrom is sold or used off the premises or for the manufacture of gasoline or other products, nevertheless such shut-in well shall be deemed to be a well on the leased premises producing gas in paying quantities and this lease will continue in force during all of the time or times while such well is so shut in, whether before or after the expiration of the primary term hereof. Lessee shall use reasonable diligence to market gas or gas and gas-condensate capable of being produced from such shut-in well but shall be under no obligation to market such products under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. Lessee shall be obligated to pay or tender to lessor within 45 days after the expiration of each period of one year in length (annual period) during which such well is so shut in, as royalty, the sum of \$50.00; provided that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any such annual period, this lease is being maintained in force and effect otherwise than by reason of such shut-in well, lessee shall not be obligated to pay or tender for that particular annual period, said sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Such payment may be made or tendered to lessor. Royalty ownership as of the last day of each such annual period as shown by lessee's records shall govern the determination of the party or parties entitled to receive such payment.

If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is referred to or described herein, all royalties herein provided shall be paid lessor only in the proportion which his interest bears to the whole and undivided mineral fee.

If the leased premises are now, or shall hereafter be, owned in severally or in separate tracts, the premises nevertheless shall be developed and operated as one lease, and all royalties accruing hereunder shall be treated as an entirety and shall be divided among, and paid to, such separate owners in the proportion that the acreage owned by each such separate owner bears to the entire leased acreage; provided, however, that if the leased premises consist of two or more non-adjacent tracts (tracts which do not touch each other at any point), this paragraph shall apply separately to each such non-adjacent tract.

If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied covenants hereof shall extend to the sublessees, successors and assigns of the parties; and in the event of an assignment or subletting by lessee, lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or implied. No change in the ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of the right to receive royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessee (except at lessee's option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in the leased premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release.

Lessee is granted the right, from time to time while this lease is in force, to pool into a separate operating unit or units all or any part of the land covered by this lease with other land, lease or leases, or interests therein (whether such other interests are pooled by a voluntary agreement on the part of the owners thereof or by the exercise of a right to pool by the lessees (hereof), when in lessee's judgment it is necessary or advisable in order to promote conservation, to properly develop or operate the land and interests to be pooled, or to obtain a multiple production allowable from any governmental agency having control over such matters. Any pooling hereunder may cover all oil and gas, or any one or more of the substances covered by this lease, and may cover one or more or all zones or formations underlying all or any portion or portions of the leased premises. Any unit formed by such pooling shall be of abutting or adjoining tracts and shall not exceed 160 acres (plus a tolerance of 10%) for gas or gas-condensate and shall not exceed 40 acres (plus a tolerance of 10%) for any other substance covered by this lease; provided that if any governmental regulation or order shall prescribe a spacing pattern for the development of a field wherein the above described land, or a portion thereof, is located, or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be permitted in such allocation of allowable. The area pooled and the zones or formations and substances pooled shall be set forth by lessee in a "declaration of pooling" filed for record in the county or counties in which the pooled area is located. Such pooling shall be effective on the date such declaration is filed unless a later effective date is specified in such declaration. In lieu of the royalties elsewhere herein specified, except shut-in gas well royalties, lessor shall receive on production from an area so pooled only such portion of the royalties which, in the absence of such pooling, would be payable hereunder to lessor on production from the land covered by this lease which is placed in the pooled area as the amount of the surface acreage in the land covered by this lease which is placed in the pooled area bears to the amount of the surface acreage of the entire pooled area. Nothing herein contained shall authorize or effect any transfer of any title to any leasehold, royalty or other interest pooled pursuant hereto. The commencement of a well, the conduct of other drilling operations, the completion of a well or of a dry hole, or the operation of a producing well on the pooled area, shall be considered for all purposes (except for royalty purposes) the same as if said well were located on, or such drilling operations were conducted upon, the lands covered by this lease whether or not such well is located upon, or such drilling operations are conducted upon, said lands. Lessee may terminate any pooling effected pursuant hereto at any time the pooled unit is not producing and no drilling operations are being conducted thereon by executing and filing of record in the county or counties in which the pooled area is located a written declaration of the termination of such pooling, provided that the pooling of all interests not covered by this lease which comprise a part of such pooled unit be also terminated in some effective manner.

Lessee shall have the right to use, free of cost, oil, gas and water produced on said land for its operations thereon except water from wells of lessor. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing. No part of the surface of the leased premises shall, without the written consent of lessee, be let, granted or licensed by lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoirs, equipment, or machinery to be used for the purpose of exploring, developing or operating adjacent lands for oil, gas or other minerals.

Lessee shall bury below plow depth its pipe lines on the leased premises when requested by a lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on said premises without the written consent of the owner of the surface on which such house or barn is located. Lessee shall pay for damages to growing crops caused by its operations on said lands.

Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any

of the express or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, lack of market, act of God, strike, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

WITNESS:

LESSOR:

X *James L. Kornblum*
JAMES L. KORNELUM

Dale A. Powers (SEAL)
DALE A. POWERS

X *Virginia L. Facchinetti*
VIRGINIA L. FACCHINETTI

SS: [Redacted]
Kathleen D. Powers (SEAL)
KATHLEEN D. POWERS

..... (SEAL)
..... (SEAL)
..... (SEAL)

STATE OF *Michigan*
COUNTY OF *Ottawa* } SS.

(Individual—Mich.)

On this *11th* day of *August*, 19 *81*, before me personally appeared
DALE A. POWERS & KATHLEEN D. POWERS, husband and wife

to me known to be the person described in and who executed the foregoing instrument, and acknowledged that *THEY* executed the same as *THEIR* free act and deed. Given under my hand and seal the day and year first above written.

My commission expires:
January 30, 1984

Virginia L. Facchinetti
Notary Public
850 N. Center
Gaylord, Mich. 49735
(Individual—Mich.)
VIRGINIA L. FACCHINETTI

STATE OF } SS.
COUNTY OF

(Individual—Mich.)

On this day of, 19....., before me personally appeared

to me known to be the person described in and who executed the foregoing instrument, and acknowledged that executed the same as free act and deed. Given under my hand and seal the day and year first above written.

My commission expires:
.....
Notary Public

STATE OF } SS.
COUNTY OF

(Corporation—Mich.)

On this day of, 19....., before me appeared

the President of a corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said acknowledged the execution of the said instrument as the free act and deed of said corporation. Given under my hand and seal the day and year first above written.

My commission expires:
.....
Notary Public

This instrument prepared by *James L. Kornblum*
James L. Kornblum, 568 East Ormstead
Ipsworth, IN

723466

Parcel sold out



LIBER 1089 PAGE 372

OTSEGO COUNTY
TREASURER'S OFFICE
Gaylord, Mich.

} 4-4-06

I hereby certify that according to our records all taxes returned to this office are paid for Five years preceding the date of this instrument. This does not include taxes in the process of collection or B.O.R. adjustments.

Jane Kaubert
COUNTY TREASURER



OTSEGO COUNTY MICHIGAN
RECEIVED FOR RECORD
SUSAN DEFLYER, CLERK/REGISTER OF DEEDS
04/04/2006 4:15:08 PM



OTSEGO COUNTY
APRIL 4, 2006
RECEIPT #5771

STATE OF MICHIGAN \$ 1.10-00
REAL ESTATE \$ 7.50-ST
TRANSFER TAX STAMP # 2429

**WARRANTY DEED
(3/97)**

CORPORATE TITLE AGENCY - GAYLORD

The Grantor, **Timothy Beckwith, a single man**
whose address is **PO Box 2024, Gaylord, MI 49734**
conveys and warrants to **Jeffrey S. Mueller, and Patricia L. Mueller, husband and wife**
whose address is **3674 Old 27 North, Gaylord, MI 49735**

Parcel Sold out

the following described premises situated in the Township of Livingston, County of Otsego, State of Michigan, to wit:

Part of the Northeast one-quarter of Section 16, Town 31 North, Range 3 West, Livingston Township, Otsego County, Michigan, described as:

Commencing at the East one-quarter corner of said section; thence North 01°59'45" East, along the East line of said section, 962.03 feet; thence North 88°00'15" West 333.38 feet to a point on the northwesterly right-of-way line for Highway Old U.S. 27 which is 973.06 feet due North and 299.68 feet due West (recorded as 977.42 feet North and 301.27 feet West) of the East one-quarter corner of said section and the Point of Beginning; thence North 13°14'29" East, along said northwesterly right-of-way line, 51.60 feet; thence North 68°11'21" West 68.33 feet; thence South 04°22'52" West 32.41 feet; thence South 51°19'40" East 69.29 feet (recorded as South 51°19'40" East 69.35 feet) to the point of beginning.

SUBJECT TO AND TOGETHER WITH an 18 foot wide ingress and egress easement, lying 9 feet on each side of, parallel with and adjacent to a centerline described as: Commencing at the East one-quarter corner of Section 16, Town 31 North, Range 3 West; thence North 01°59'45" East, along the East line of said section, 962.03 feet; thence North 88°00'15" West 333.38 feet to a point on the northwesterly right-of-way line for Highway Old U.S. 27 which is 973.06 feet due North and 299.68 feet due West (recorded as 977.42 feet North and 301.27 feet West) of the East one-quarter corner of said section and the Point of Beginning of centerline of said 18 foot wide easement; thence North 73°29'48" West, along said centerline, 17.71 feet; thence North 21°57'48" West, along said centerline, 65.20 feet; thence North 05°38'40" West, along said centerline, 6.28 feet to the Point of Ending of centerline of said 18 foot wide easement.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anyway appertaining thereto.

SUBJECT TO all easements, reservations, rights-of-way and restrictions of record, if any.

This deed is given for the sum of **One Thousand And 00/100 Dollars (\$1000.00)**.

Dated: *April 2* ~~March~~ 2, 2006.

Signed and Sealed:

Timothy Beckwith
Timothy Beckwith

State of Michigan }
County of Otsego } ss.

ABBY PUTMAN
NOTARY PUBLIC OTSEGO CO., MI
MY COMMISSION EXPIRES Nov 18, 2007

TT 8.60 17/2



This foregoing instrument was acknowledged before me this 2nd day of April 2006, by Timothy Beckwith, a single man.

ABBY PUTMAN
NOTARY PUBLIC OTSEGO CO., MI
MY COMMISSION EXPIRES Nov 18, 2007

Abby Putman
Notary Public

Otsego County, Michigan

My commission expires Nov. 18, 2007

Drafted without opinion to title and return to:

Dennis W. Bila, II, Attorney (c/o)

845 South Otsego Avenue

Suite D

Gaylord, MI 49735

File No. GA-04-0145

Part of 69-080-016-100-020-01

Revenue stamps: State: \$ 3.75 County: \$ 0.55