



**OIL AND GAS LEASE**  
(PAID UP)

THIS AGREEMENT, made and entered into this June 27, 2022, by and between **Martha Ann Bomgardner Alito, Trustee of the Bobby Gene Bomgardner Revocable Living Trust**, whose address is P.O. Box 7452, Alexandria, VA 22307, Party of the First Part, hereinafter called "Lessor" (whether one or more), and **Citizen Energy III, LLC**, whose address is 320 S. Boston Ave., Suite 900, Tulsa, OK 74103, Party of the Second Part, hereinafter called "Lessee".

WITNESSETH, That the said Lessor, for and in consideration of TEN DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto the said Lessee, for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and for laying pipe lines, and building tanks, power stations and structures thereon, to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Grady, State of Oklahoma, described as follows, to-wit:

SE/4

Township 9N, Range 8W  
Section 4  
and containing 160.00 acres, more or less

It is agreed that this lease shall remain in force for a term of three (3) years from date, (hereinafter called primary term) and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee. ~~In the event this lease is not continued beyond the primary term by production, on going operations or by any other means or provision herein contained, Lessee shall have the option, but not the obligation, to extend the primary term of this lease, as to all or any portion of the leased premises, for an additional and extended term of two (2) years, and for so long thereafter as this lease is continued or maintained in force and effect by the production, or allocation to the leased premises, of oil, gas or other hydrocarbons, or by any other means or provisions herein contained. Lessee may exercise the option to extend this lease, as to all or any portion of the leased premises, by tendering to Lessor, at the address stated above and on or before the expiration date of the initial primary term of this lease, an additional per acre bonus consideration equal to the same per acre bonus consideration originally paid for this lease.~~

In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor free of cost, in the pipe line to which it may connect its wells, the three-sixteenths (3/16ths) part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.

2nd. To pay Lessor for gas (including casinghead gas and coal bed methane gas) of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises or used in the manufacture of products therefrom, three-sixteenths (3/16ths) of the gross proceeds received from any party (whether or not an affiliate of Lessee) for the gas sold, used off the premises, or in the manufacture of products therefrom, less a proportionate part of any production, severance and other excise taxes and costs and/or fees incurred by Lessee in making marketable Lessor's share of gas, and/or in gathering, transporting, processing, compressing or otherwise marketing Lessor's share of gas, but in no event more than three-sixteenths (3/16ths) of the net amount actually received by the Lessee from any such party. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current production of oil or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net royalty acre retained hereunder, such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that gas is being produced within the meaning of the entire lease.

3rd. To pay Lessor for gas and/or oil produced from any oil well and used off the premises, or for the manufacture of casinghead gasoline or dry commercial gas, three-sixteenths (3/16ths) of the net proceeds, at the mouth of the well, received by Lessee for the gas during the time such gas shall be used, said payments to be made monthly.

Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 80 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided, however, units formed for the production of either oil or gas by the drilling of horizontal wells shall be allowed if the unit does not exceed 640 contiguous acres. If any governmental regulation shall prescribe a spacing pattern for the development of the field 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 used in such allocation of allowable. Lessee shall file written unit designations in the county in which the leased premises are located. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of his acreage placed in the unit, or his royalty interest therein on an acreage basis bears to the total acreage in the unit.

If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid to the Lessor only in the proportion which his interest bears to the whole and undivided fee.

When requested by the Lessor, Lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the Lessor.

Lessee shall pay for all damages caused by its operations to growing crops on said land.

Lessee shall have the right to use, free of cost, gas, oil and water produced by Lessee on said land for its operations thereon. 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.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is hereby expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment