Form L B. 7

RENTAL**A**gr**eement,** Made this 6th day of March A. D., 1928, by and between

G. L. Bedford and Clara Bedford, his wife

of Brunswick, Ohio, hereinafter called the Lessor, and

The East Ohio Gas Co. of Cleveland O. hereinafter called the Lessee.

Witnesseth, That the said Lessor, for and in consideration of the sum of Twenty five and no/100 Dollars in hand paid by the Lessee, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, does hereby lease and let unto the said Lessee, for the sole and only purpose of drilling and operating for oil and gas, and all the constituents thereof, and of laying pipe lines, and of building tanks, stations and structures therein and thereon, to procure, take care of and transport the said products, with the right to remove, at any time, all appliances, fixtures and machinery placed thereon, all that certain tract of land, situated in Strongsville Township

Section No. 21 in Cuyahoga County, Ohio, bounded substantially as follows:

North by lands of Clement and Potter

East by lands of J. Clement

South by lands of Public Highway - Medina-Cuyahoga County Line

West by lands of Public Highway (Howe Road)

containing 50 acres, more or less.

No well shall be drilled within 300 feet of the present buildings, unless both parties consent thereto.

To have and to hold the same unto and for the use of the Lessee upon the following terms and conditions:

IN CONSIDERATION OF THE PREMISES, the said Lessee, covenants and agrees to deliver to the credit of the Lessor, as royalty, free of cost, in the pipe line to which the wells drilled by the Lessee may be connected the equal one-eighth part of all oil produced and saved from said leased premises, or at the Lessee's option to pay to the Lessor an amount equal to the market price of such one-eighth royalty oil based on the market price for oil of like grade and gravity prevailing on the date such oil is run into the pipe line or into storage tanks.

If gas only is produced, the Lessee agrees to pay as royalty two hundred dollars ($200.00) each year, payments to be made quarterly, for the gas from each gas well drilled on said premises the product from which is marketed and used off the premises, or which the Lessee elects by payment of royalty to treat as a producing well.*

Lessor may lay a line to any one gas well on said lands and take gas produced from said well for use for light and heat in one dwelling house on said land, at Lessor's own risk, subject to the use and the right of abandonment of the well by Lessee. The first one hundred thousand cubic feet of gas taken each year shall be free of cost, but all gas in excess of one hundred thousand cubic feet taken in each year shall be paid for at the current published rates of the Lessee in the town nearest the premises above described, Lessor to lay and maintain the service line and furnish regulators and other necessary equipment at his own expense. This privilege is upon the condition precedent that Lessor shall subscribe to and be bound by the reasonable rules and regulations of the Lessee relating to the use of free gas, and shall maintain said service line, regulators and equipment in good repair and free of all gas leaks and operate the same so as not to cause unnecessary leaks or waste of gas.

This lease shall continue in force and the rights granted hereunder be quietly enjoyed by the said Lessee for a term of ~~twenty years~~ five years and six months from May 12, 1928 and so much longer as oil or gas or their constituents is or are found on said premises in paying quantities in the judgment of the Lessee; provided, however, that if at the termination of the said term either primary or extended there is a well in process of being drilled, then this lease shall continue in force so long as the drilling of such well is continued with reasonable diligence, and so much longer thereafter as oil or gas or their constituents is or are found on said premises in paying quantities in the judgment of the Lessee.

Provided, however, that this lease shall become null and void and all rights of either party hereunder shall cease and determine unless a well shall be commenced on the premises within one-1-year from Aug 12, 1927 ~~years from the date hereof~~, or unless the Lessee shall thereafter pay at the rate of One Hundred and no/100 Dollars for each year, payments to be made quarterly, until the commencement of said well. It is further agreed that if the said well is drilled and proves to be a dry hole, a second well shall be commenced within one year from the completion of said dry well unless the Lessee, beginning with the expiration of such year, shall pay at the rate of One Hundred and no/100 Dollars for each year thereafter, payments to be made quarterly, until the commencement of a second well. Likewise, until a producing well be drilled, if said second or any subsequently drilled well should prove to be a dry hole, another well shall be commenced within one year after the completion thereof, unless, beginning with the expiration of said year, the said delay rental be paid until another well be commenced. A dry hole or well shall be deemed to be a completed well which does not produce oil or gas in commercial quantities in the judgment of the Lessee. If a well shall be commenced before the end of any period for which rental has been paid for delay, the unearned portion of said rental shall be credited to Lessee upon any royalty or well rental for said well.

If within the primary term of this lease production on the leased premises shall cease from any cause, this lease shall not terminate provided another well shall be commenced within one year from the date of such cessation, or provided the Lessee beginning with the expiration of such year begins or resumes the payment of delay rentals in the manner and amount hereinbefore provided. If, after the expiration of the primary term of this lease, production on the leased premises shall cease from any cause this lease shall not terminate provided the Lessee resumes operations for drilling a well within sixty days from such cessation, and this lease shall remain in force during the prosecution of such operations and if production results therefrom then so long as oil or gas or their constituents is or are found on said premises in paying quantities in the judgment of the Lessee. A well shall be deemed to have been commenced under this lease when preparations have been begun upon the leased premises for the commencement of drilling the well. There shall be no duty upon Lessee to drill an offset well unless written demand therefor shall be made on it by Lessor and then only if during the term of this lease there should be drilled on adjoining property and within three hundred feet of any line of the leased premises a well producing as much as twenty barrels of oil per day for a period of thirty consecutive days, or an average of five hundred thousand cubic feet of gas per day into the line for a period of thirty consecutive days after such gas well has been connected with a gathering line, as to which well an offset has not already been or is not then being drilled; in which event Lessee agrees that it will within ninety days after such proving of such well, or within sixty days after the receipt of such written demand, whichever is later, begin and prosecute the drilling of an offset well on the leased premises; provided, however, that the Lessee shall have the option in lieu of drilling such offset well to surrender all of the leased premises except twenty-five acres of land around each producing well and each well being drilled hereunder, such land to be designated by Lessee in as near a square form as practicable; provided, however, that if the leased premises be of an area of twenty-five acres or less one producing well thereon shall be deemed to be an offset well in full compliance of any and all obligations to offset wells upon adjoining premises. It is further provided that Lessee, in lieu of the drilling of any such offset well to a well producing gas in the amount aforesaid on an adjoining property, may pay to Lessor a well rental of two hundred dollars per year so long as said gas well on adjoining property produces into the line an average of five hundred thousand cubic feet of gas per day.

All money due under this lease shall be paid or tendered to the Lessor by check made payable to the order of and mailed to G. L. Bedford, at Brunswick Ohio

P. O. Route No. 1 or by deposit to the Lessor's credit in the

Bank at

or its successors, and the said named person or the said bank and its successors or both are the Lessor's agent or agents, and shall continue as the depositary of any and all sums payable under this lease regardless of changes in ownership in said land or in the oil or gas or their constituents or in the rentals or royalties to accrue hereunder. Such deposits with said depositary may be made by check mailed or delivered within the respective quarterly periods.

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

No change of ownership in the land or in the rentals or royalties hereunder shall be binding on the Lessee until after notice to the Lessee either by delivery of notice in writing duly signed by the parties to the instrument of conveyance or assignment or by the receipt of such original instrument of assignment or a duly certified copy thereof.

If the leased premises at any time should be owned in separate parcels, this lease nevertheless shall be treated as an entirety, except that royalties or well rentals as to any producing well shall be payable to the owner or owners upon whose respective parcel the producing well is located, and there shall be no obligation upon the Lessee to offset wells on separate tracts into which the leased premises may be divided by sale, devise or otherwise, and the drilling of a well or the existence of a producing well upon any parcel shall have the same effect by way of excusing payment of delay or acreage rentals and otherwise, as though the premises had not been divided. It is agreed, however, in the event this lease shall be assigned as to a part or as to parts of the above described lands, this lease shall be treated as severable and as though there were separate and distinct leases covering the respective part or parts, and if the holder or owner of any such part or parts of the leasehold estate shall fail or default in the payment of the proportionate part of the rent due from him or them or in the performance of any other obligations hereunder such failure or default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said land as to which the said Lessee or any assignee hereof is not in default hereunder.

It is agreed that said Lessee, throughout the duration of this lease, may drill or not drill on said land, as Lessee may elect, and that the consideration and rentals paid, and the land rentals, well rentals or royalties which may hereafter be paid, constitute adequate compensation for such privilege.

Lessee shall bury when so requested by Lessor, all pipe lines used to conduct gas or oil off the premises and pay all damage to growing crops caused by operations under this lease; said damages, if not mutually agreed upon, to be ascertained and determined by three disinterested persons, one thereof to be appointed by the Lessor, one by the Lessee and the third by the two so appointed as aforesaid, and the award of such three persons shall be final and conclusive.

Lessor agrees that Lessee is to have the privilege of using sufficient oil, gas and/or water for operating on said premises and the right, at any time during or after the expiration of this lease to remove any machinery or fixtures, including pipe and well casing placed on said premises, and further, upon payment to the Lessor of one ($1.00) dollar and all rentals and royalties due hereunder to date of surrender, said Lessee shall have the right to surrender this lease or any portion thereof by written notice to Lessor describing the portion of the above tract that it elects to surrender, or by returning to Lessor, the lease with the endorsement of surrender thereon, or recording the surrender or partial surrender of this lease

*...the Lessor shall be paid quarterly in lieu of the within mentioned rental, at the rates hereinafter specified so long a[s] quantities and so long as said gas is marketed and used off the premises, to wit: A quarterly average of 500,000 cu.f[t.] A quarterly average of 750,000 cu.ft. per day $400 per year. A quarterly avg. of 1,000,000 per day $500 per year**

**A quarterly average of 1,500,000 cu.ft. per day $600 per yr. And for all over a quarterly average of 1,500,000 ... additional quarterly average of 500,000 cu.ft. per day. Payments for each quarter shall be based on the average da[ily] ... quarter as registered by the meter connected with such well and shall be made within 30 days after each said quarte[r]

Cancel-November
New Lease taken
#34425

RENEW

VM

No. 22265 Acres 50

OIL AND GAS LEASE

From

G. L. Bedford
#1

Post Office Brunswick Ohio

To

The East Ohio Gas Co

365

Date March 6, 1928

Terms Years 5

from Nov 17, 1928

LOCATED

Strongsville - Cuyahoga

Rec'd for Record ______, 19____

Recorded ______, 19____

RECEIVED FOR RECORD
APR 16 1928
At ____ M
LYMAN O. NEWELL, Recorder
Fee for Record

Book 1106 Page

365

County Recorder.

Recorded Apr. 17, 1928
in Cuyahoga County Records,
Vol. 162 - Pages 296-299 inc.

Lyman O. Newell, Recorder.

14-19

2009.040.0137

In consideration of the present payment by Lessee of rentals on the within lease for the quarterly rental period next succeeding the current quarterly rental period and the continuance of said lease during said quarterly period, Lessor agrees that the rental provided to be paid in said Lease shall be, and the same is hereby, reduced from $________each______months, to $________each______months, and shall hereafter be, if the lease is held, paid at the last named rate, but this agreement shall not change any other of the terms and conditions thereof.

Witness my hand this________day of________________, 19____

Witness

________________________________(Seal)
Notary Public, Justice of the Peace.