

OIL, GAS AND MINERAL LEASE

BK 0442 PG 0419

THIS AGREEMENT made this 2nd day of January, 2003, between WILLIAM DANIEL GUY, JR. and THOMAS R. GUY

lessor (whether one or more), whose address is: 2145 Gale Cove, Hernando, MS 38632
and VISION EXPLORATION, L.L.C., 751 Avignon Drive, Suite B, Ridgeland, MS 39157, lessee. WITNESSETH:

1. Lessor, in consideration of Ten Dollars and other valuable considerations (\$10.00 & OVC) Dollars, receipt of which is hereby acknowledged, and of the covenants and agreements of lessee hereinafter contained, does hereby grant, lease and let unto lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, power lines, telephone lines, employee houses and other structures on said land, necessary or useful in lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land", is located in the County of Desoto State of Mississippi and is described as follows:

PLEASE SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR THE DESCRIPTION OF THE LANDS INCLUDED IN THIS OIL, GAS AND MINERAL LEASE AND ADDITIONAL PROVISIONS OF THIS OIL, GAS AND MINERAL LEASE.

STATE MS.-DESOTO CO.
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W.E. DAVIS CH. CLK.



This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 107.57 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights, and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of five (5) years from the date hereof, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average posted market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) To pay lessor on gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, of one-eighth of such gas and casinghead gas; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing gas or any other mineral covered hereby, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this sub-paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, or may be deposited to such parties credit in the

at lessor's address TD Lessor Bank

or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender such shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

4. Lessee is hereby granted the right, at its option, to pool or unitize all or any part of said land and of this lease as to any or all minerals or horizons thereunder, with other lands, lease or leases, or portion or portions thereof, or mineral or horizon thereunder, so as to establish units containing not more than 80 surface acres plus 10% acreage tolerance; provided, however, a unit may be established or an existing unit may be enlarged to contain not more than 640 acres plus 10% acreage tolerance, if unitized only as to gas or only as to gas and liquid hydrocarbons (condensate) which are not a liquid in the subsurface reservoir. If larger units are required, under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable, from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged, to conform to the size required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Each of said options may be exercised by lessee from time to time, and whether before or after production has been established either on said land or on the portion of said land included in the unit or on other land unitized therewith and any such unit may include any well to be drilled, being drilled or already completed. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be land or mineral, royalty or leasehold interests in land within the unit which are not pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted under this lease. There shall be allocated to the land covered by this lease included in any such unit that proportion of the total production of unitized minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, overriding royalty, and any other payments out of production, to be the entire production of unitized minerals from the portion of said land covered hereby and included in such unit in the same manner as though produced from said land under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of such unit shall not have the effect of changing the ownership of any shut-in production royalty which may become payable under this lease. Neither shall it impair the right of lessee to release from this lease all or any portion of said land, except that lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. A unit may be so established, modified or dissolved during the life of this lease.

5. Lessee may at any time and from time to time execute and deliver to lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations as to the released acreage or interest.

6. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated except as otherwise provided herein to commence or continue any operations during the primary term. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.

7. Lessee shall have the use, free from royalty, of water, other than from lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.

8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until thirty (30) days after there has been furnished to such record owner at his or its principal place of business by lessor or lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, lessee may, nevertheless, pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.

9. In the event lessor considers that lessee has not complied with all its obligations hereunder... shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land.

11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation...

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

X Duke Sellings
X William D. Guy

William Daniel Guy, Jr. (SEAL)
WILLIAM DANIEL GUY, JR.
Soc. Sec. # 414-70-4395 (SEAL)
Thomas R. Guy (SEAL)
THOMAS R. GUY
Soc. Sec. # 414 80 0377 (SEAL)

Indexing instructions: NE 1/4, NW 1/4, SE 1/4 & SW 1/4 Sec. 25, T3S, R8W

JOINT OR SINGLE ACKNOWLEDGMENT (MISSISSIPPI-ALABAMA-FLORIDA)

STATE OF MISSISSIPPI
COUNTY OF DESOTO

NOTARY PUBLIC

I hereby certify, that on this day, before me, a duly authorized in the state and county aforesaid to take acknowledgments, personally appeared WILLIAM DANIEL GUY, JR. and THOMAS R. GUY

to me known to be the person S described in and who executed the foregoing instrument and T he Y acknowledged before me that, being informed of the contents of the same, T he Y voluntarily signed and delivered the within and foregoing instrument on the day and year therein mentioned.

Given under my hand and official seal, this day of A.D., (Affix Seal) (Title of Official) My commission expires in and for County.

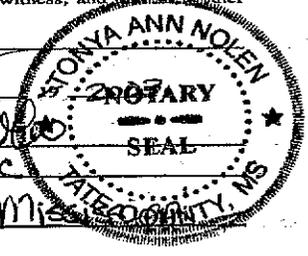
WITNESS ACKNOWLEDGMENT (MISSISSIPPI-ALABAMA-FLORIDA)

STATE OF Mississippi
COUNTY OF Desoto

I, R Notary Public in and for the aforesaid jurisdiction, hereby certify that Dianna S. Guy

a subscribing witness to the foregoing instrument, known to me, appeared before me on this day, and being sworn, stated that William Daniel Guy, Jr. and Thomas R. Guy the grantor(s), having been informed of the contents thereof, voluntarily executed and delivered the same in his presence, and in the presence of the other subscribing witness, on the day the same bears date: that he attested the same in the presence of the grantor(s), and of the other witness, and that the other witness subscribed his name as a witness in his presence.

Given under my hand and official seal, this 11th day of March (Affix Seal) (Subscribing Witness) (Title of Official) Desoto County, Miss



My commission expires JUNE 27, 2006 in and for Desoto County, Miss

Oil, Gas and Mineral Lease
FROM TO
This instrument was filed for record on the day of 19 at o'clock and duly recorded in Book Page of the record of this office. County, Clerk Deputy. Hardeman Brothers - Ridgeland, Mississippi 3/89

EXHIBIT "A"

Attached to and made a part of that certain Oil, Gas and Mineral Lease dated January 2, 2003, by and between WILLIAM DANIEL GUY, JR. ET AL, Lessor, and VISION EXPLORATION, L.L.C., Lessee, Desoto County, Mississippi.

The lands included in the Oil, Gas and Mineral Lease to which this Exhibit "A" is attached and made a part thereof are described as follows:

DESOTO COUNTY, MISSISSIPPI
TOWNSHIP 3 SOUTH, RANGE 8 WEST

Section 25: 107.57 acres in Section 25, T3S, R8W, Desoto County, Mississippi, more particularly described as follows, to-wit: Commencing at the Southwest corner of the SE $\frac{1}{4}$ of Section 25, thence North 00 degrees 27 minutes West 940.76 feet to the Point of Beginning; thence continue North 00 degrees 27 minutes West 512.02 feet to a point; thence South 87 degrees 23 minutes 29 seconds West 1,868.91 feet to a point in the centerline of an existing creek; thence along the centerline of said creek the following calls: North 50 degrees 03 minutes East 581.39 feet; North 62 degrees 33 minutes East 890.0 feet; North 42 degrees 33 minutes East 720.15 feet; thence North 42 degrees 33 minutes East 129.85 feet to a point; thence North 31 degrees 35 minutes East 75.00 feet; thence North 49 degrees 30 minutes East 241.70 feet; thence North 64 degrees 38 minutes East 248.30 feet; thence North 45 degrees 12 minutes East 111.20 feet; thence South 85 degrees 48 minutes East 119.10 feet; thence North 74 degrees 20 minutes East 329.60 feet; thence South 81 degrees 36 minutes East 157.80 feet to a point on the West line of the Massey 31.22 acre tract; thence along said West line South 04 degrees 35 minutes 31 seconds East 1538.61 feet to the Southwest corner of said tract; thence North 85 degrees 21 seconds East 1324.57 feet to a point on the West right of way of U.S. Highway 51; thence South 00 degrees 46 minutes 32 seconds East along said right of way a distance of 293.48 feet to a point; thence South 03 degrees 46 minutes 32 seconds East 250.0 feet to a point; thence South 06 degrees 58 minutes 47 seconds East 261.63 feet to a point; thence South 88 degrees 24 minutes 51 seconds West 2536.60 feet to the Point of Beginning, containing 107.57 acres, more or less.

Lessor intends to lease and does hereby grant, lease and let unto Lessee herein all interests owned by Lessor in Section 25, T3S, R8W, Desoto County, Mississippi, whether or not correctly described hereinabove.

This oil, gas and mineral lease is subject to the building, zoning, subdivision and health department regulations in effect for Desoto County, Mississippi.

Notwithstanding anything to the contrary contained in this oil, gas and mineral lease, It is specifically understood and agreed that Lessee will not conduct any operations on the lands described hereinabove without the prior written consent of Lessor.

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