

PREPARED BY: Hubert Franklin Green, III, RL, 6295 Old Canton Road, 25B, Jackson, MS 39211,

Tel. 601-832-5427

RETURN ADDRESS: c/o Inland Energy Company, 1837 Peachtree Street, Jackson, MS 39202 601-360-2850.

LESSOR, ADDRESS & TELEPHONE: Curtis Lee Powell, 1573 Highway 28W, Soso, MS 39480-5577, Tel.

LESSEE, ADDRESS & TELEPHONE: Tiger Production Company, LLC, 2015 High Pointe Drive, Brandon, MS

39042; Tel. 601-855-5360.

INDEXING INSTRUCTIONS DESCRIPTION: NW ¼ NE ¼ and NE ¼ NW ¼ Sec. 9-T9N-R13W

## SALT WATER WELL INJECTION LEASE AND DAMAGE RELEASE

This Salt Water Well Injection Lease and Damage Release (hereinafter sometimes referred to as the "Agreement") is made and entered into effective on the  $6^{th}$  Day of March, 2015, regardless of the date(s) of its execution, by and between the following parties, to-wit:

Curtis Lee Powell, 1573 Highway 28W, Soso, MS 39480-5577, hereinafter referred to as "Lessor" or "Landowner" (whether one or more); and

Tiger Production Company, LLC, 2015 High Pointe Drive, Brandon, MS 39042, its successors and assigns, which hereinafter may be referred to as "Lessee," "Grantee" or "Operator."

## WITNESSETH:

For and in consideration of the sum of One Thousand and no/100 Dollars, cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby Lease and let exclusively unto Lessee - Operator for the purposes hereinafter set forth the following described real property, which sometimes may be hereinafter referred to as the "Subject Lands", "said lands" or the "Leased Premises," said lands lying and being situated in Jones County, 2nd Judicial District, Mississippi, and described as follows, to-wit:

All that part of the Northwest Quarter of the Northeast Quarter (NW ¼ of NE ¼) and the Northeast Quarter of the Northwest Quarter (NE ¼ of NW ¼) of Section 9, Township 9 North, Range 13 West, Jones County, Mississippi owned by the undersigned, insofar only as said lands cover and include the drill-site and production pad for the A. H. Powell No. 2 Well which is located upon said lands, and which is to be converted to a Salt Water Disposal Well by Lessee as set forth herein.

The lease rental consideration named above shall be due and payable March 1, 2015, provided however, that said rental payments due and payable hereunder and thereafter shall be made and tendered unto Lessor in quarterly intervals (every three (3) months) at the address named for Lessor above, for an initial period of five years beginning March 1, 2015. Thereafter, the monthly rental payments made quarterly hereunder shall increase for each and every five-year period this Agreement remains in effect by the amount of ten percent (10%) times the monthly payment for the previous five year period, and Lessee may continue to pay and tender said sum unto Lessor as monthly rental until this Agreement is no longer in effect. By way of example, the monthly rental hereunder shall be \$1,000.00 per month for the first five year period (\$3,000.00 per quarter of a year), \$1,100.00 per month for the second five year period (\$3,300.00 per quarter of a year), \$1,210.00 per month for the third five-year period (\$3,630.00 per quarter of a year), and in like manner thereafter said monthly rental amount shall continue to be payable in quarterly intervals and shall continue to increase by 10% for each and every five-year period this Agreement remains in effect, unless or until Lessee has abandoned, released or otherwise terminated this agreement. Monthly lease rental payments hereunder shall be due and payable on the first day of the month for each and every quarter (three (3) months) that Lessee continues to maintain this lease in full force



and effect; provided however, if Lessee has incurred a lapse or inadvertently missed any monthly payment(s) hereunder by clerical error or otherwise, said payment(s) shall continue to be due and owing unto Lessor hereunder until Lessee has abandoned the said Salt Water Disposal Well contemplated hereunder. If Lessee's monthly rental payment hereunder is postmarked later than 5 business days after the first of each quarterly payment, a late fee of \$50.00 shall become due and payable with said payment, which late fee and monthly payment shall be made to Lessor within 10 days after the fifth day of any such month. Inadvertent failure of Lessee to make such payments on a timely basis shall not affect the rights granted herein and hereunder, but shall continue to be due and owing hereunder as long as this Agreement remains in full force and effect.

- 2. This Agreement shall last and be effective so long as there is no abandonment and cessation of operations herein and hereunder for two (2) consecutive years or until such well becomes unsuitable for any of the purposes stated herein. Lessee may release this lease at any time by duly executing and recording a release of record and shall thereafter be relieved of any and all obligations hereunder except for restoration of the surface of said lands as elsewhere provided for herein. Lessee shall promptly furnish Lessor a conformed copy of any such recorded release.
- Lessor does hereby grant, lease and let unto Lessee Operator, and its successors and assigns, for the term and purposes herein provided, the Leased Premises, together with such right-of-way easements, surface easements, and rights for access, ingress and egress and all rights deemed necessary and convenient by Lessee which are incident and related thereto, and all rights, at any time and from time to time, to construct, install, place, lay, use, alter, improve, repair, replace, maintain and remove roads, bridges, culverts, ditches, gates, canals, cattle guards, pipelines, power lines and other utilities, structures, machinery and equipment on, in, under, over, across and through the Subject Lands as may be necessary, convenient and/or incidental for the purposes of Lessee conducting all operations connected with or related to the injection and disposal of saltwater, oilfield brine and other authorized injection fluids into, down and through well bore for the A. H. Powell Well No. 2, which is the well to be converted to a Salt Water Disposal Well hereunder, said well being located in the Northwest Quarter of the Northeast Quarter (NW 1/4 of NE 1/4) of Section 9, Township 9 North, Range 13 West, Jones County, Mississippi (API No. 2306700237) (which may hereinafter be referred to the "Powell No. 2 SWD Well" or "said well"), as may be approved, permitted or authorized by the State Oil and Gas Board of Mississippi (hereinafter referred to as the "Board"), in conducting Lessee's operations connected with or related to the exploration, development, drilling, production, marketing and maintenance for and of oil, gas and associated hydrocarbons, from any wells and their units operated by Lessee - Operator in Gitano Field, Jones County, Mississippi, as defined by the Board ("Gitano Field"). Lessee shall not use said Leased Premises for any other purpose without the express written consent of Lessor; provided however, Lessee hereby retains the rights to re-convert and use the said Well for secondary and/or tertiary or such other production recovery operations, including but not limited to the injection of authorized injection substances for such operations, and/or to re-convert the said Well back to a producer.
- Without limiting the foregoing grant and lease, Lessor does hereby further grant, 4. lease and let exclusively unto Lessee and its successors and assigns, (i) the rights to re-enter, rework, drill, deepen, plug back and sidetrack the said Well, to use such Well as a Class II injection and salt water disposal well and as long as this Agreement remains in full force and effect, to permanently inject and dispose of saltwater, oilfield brine and other authorized injection fluids into any subsurface zone as approved by the Board or any other governmental agency or authority having jurisdiction, and to conduct other related operations on said Well for such injection, disposal or maintenance purposes; (ii) the rights to construct, use, alter, improve, repair and maintain roads for ingress and egress to said well; (iii) the rights to construct, install, place, use, alter, repair, replace, maintain and remove tank batteries, pits and other related injection and disposal facilities and equipment; (iv) the rights to construct, install, place, use, alter, repair, replace, maintain and remove power lines, transmission lines, power stations and related electrical installations and equipment; (v) the rights to construct, place, lay, use, alter, change the size of, repair, replace, maintain and remove one or more pipelines, salt water flow lines, pumps, fittings, corrosion control equipment and other appurtenances thereto above and below the surface of the earth, and to connect such pipeline(s) to any other pipeline(s), any well(s), and/or any disposal facility or facilities now or in the future located on the Subject Lands or within Gitano Field as defined by the State Oil and Gas Board of Mississippi, including the pipeline contemplated by Operator from the A.H. Powell Salt Water Disposal Well No.3, located in the Northeast Quarter of the Northwest Quarter (NE ¼ of NW ¼) of Section 9, Township 9 North, Range 13 West, Jones County, Mississippi (API No. 2306700238) (the "A.H. Powell No.3"), to either or both of the Wells; (vi) the rights to construct, install, place, use, alter, improve, repair, replace, maintain and remove such other structures, machinery and equipment necessary, convenient and/or incidental to save, handle, store, transport, inject and dispose of saltwater, oilfield brine and other authorized injection fluids;



(vii) the rights to locate and relocate on, in, under, over, across and through the Leased Premises as necessary, convenient and/or incidental for injection and disposal of saltwater, oilfield brine and other authorized injection fluids, all such roads, injection and disposal facilities and related equipment, power lines and related equipment, pipelines and related equipment, and to construct structures and to do any and all other things necessary, convenient and/or incidental thereto as deemed necessary and desirable by Lessee; (viii) the right to use the Leased Premises for any and all purposes necessary, convenient and/or incidental for such injection and disposal operations on, in, under, over, across and through the Subject Lands; and (ix) such right-of-way easements, surface easements and rights for access, ingress and egress and rights incident thereto on, in, under, over, across and through the Subject Lands as may be necessary, convenient and/or incidental for all such purposes. Lessor and Lessee shall enter into a separate agreement for the pipeline right-of-way and easement that shall run from the A. H. Powell No. 2 Well (said well) to the A. H. Powell No. 3 Well and/or the Saltwater Injection Facility now located on said lands or lands adjacent thereto.

- 5. Saltwater, oilfield brine and other authorized injection fluids shall not be injected in formations that are fresh water bearing or containing oil and/or gas and/or other minerals producible through a well bore in commercial quantities, unless either or both of said wells is converted back into injection wells for secondary and/or tertiary production or such other production of oil and/or gas and associated hydrocarbons. At all possible times Lessee will transport injection fluids by pipeline, but may transport injection fluids by truck for injection and disposal in said well in the event Lessee deems it necessary.
- 6. Lessor will have no obligation to Lessee to maintain or repair any roads now or hereafter situated on the Subject Lands; it being understood that Lessee at Lessee's sole cost and expense, will perform such maintenance and make repairs to any such roads as Lessee may deem necessary. Lessor shall have the right to use all roads on the Subject Lands, whether or not the same are constructed by Lessee, provided that Lessee will not be liable for any injuries or damages to any such road, or to Lessor or any and all third parties resulting from such use by Lessor or Lessor's invitees and/or designees. If Lessee installs a locked gate across any road on the Subject Lands, or any road connected therewith providing the sole means of access to any such road, Lessor will be afforded the opportunity to include a lock of his own in the chained loop.
- 7. All pipelines constructed, placed, or laid by Lessee shall be buried to a sufficient depth so as not to interfere with ordinary farming operations and to comply with normal oilfield procedures.
- 8. Lessor shall have and expressly reserves to himself, his successors and assigns, the right to use and enjoy the Subject Lands, provided such use and enjoyment will be in such a manner as not to interfere with the use thereof by Lessee under the grants herein set out, and Lessor shall not change the grade, plant trees, or cause to be constructed over any pipeline laid or used hereunder any dwelling, barn, shed, mobile home, camper, paving, reservoir or other structure, obstruction or excavation.
- 9. Lessee agrees to construct a shed over facilities at the salt water disposal well site in order to assist in the prevention of any leakage spraying the location or lands adjacent thereto in the event of a leak at said facilities.
- 10. Lessee agrees to build an earthen retaining wall between the well site for the A. H. Powell No. 2 Well, and the pond which is located East of said well in the Northwest Quarter of the Northeast Quarter (NW  $\frac{1}{4}$  NE  $\frac{1}{4}$ ) of said Section 9, and to build and install a culvert below ordinary plow depth to control any leakage or drain-off from the well site.
- 11. Lessee agrees to erect and maintain fences around the well site with an access gate at the right-of-way entrance to the well site, and also agrees to build and install a gate and cattle guard in the existing fence at the right-of-way entrance to the well site. The gates and cattle guard shall be comparable in quality to those presently located in the Northwest Quarter of the Northeast Quarter (NW ¼ of NE ¼) of said Section 9.
- 12. Lessee shall be responsible and agrees to pay for all damages to livestock, trees, growing crops or improvements resulting from operation of the well.
- 13. Lessee agrees to re-enter and complete the well as a salt water disposal well without utilizing earthen pits to the extent same is possible, and also to operate the said well without placing permanent tanks at the well site for said well, notwithstanding anything to the contrary contained herein. Under separate agreement executed by Lessor, Lessee shall build and install any and all necessary pipelines from the Well-site for said well to the existing tank battery

and surface facilities already established for salt water disposal purposes upon said lands owned by Lessor.

- 14. All equipment and personal property, including fixtures, placed on the Subject Lands (including downhole equipment now there or brought in by Lessee) by Lessee Operator shall remain the property of Lessee Operator, and said Lessee Operator shall have 180 days from the date of abandonment and or release of this instrument to remove its equipment from the surface thereof which shall be restored to the original condition said surface existed prior to the drilling of said well as nearly as is practicable.
- 15. Lessee may terminate this Agreement at any time by giving Lessor written notice, and Releasing this Agreement of record by written release hereof, and additionally this Agreement shall terminate in the event Lessee ceases to operate, use or maintain the said Well as a Class II injection and salt water disposal well for more than two years or converts same back to a producer during the time this Agreement is in effect. This Agreement may be extended or otherwise modified by written agreement of Lessor and Lessee, or their successors and/or assigns.
- 16. This Agreement will run in favor of Lessee, will be construed as a covenant running with the land, may be assigned in whole or in part, and will be binding upon and inure to the benefit of the parties hereto, and their respective heirs, devisees, legatees, administrators, executors, legal representatives, successors and assigns. Upon any termination of this Agreement, Lessee will execute a release of the easements and access rights granted under this Agreement, and file same in the land records of Jones County, Mississippi, 2<sup>nd</sup> Judicial District, and provide a copy of same to Lessor.
- Lessee does hereby indemnify, defend and hold harmless Lessor, his heirs, 17. successors and assigns from and against any and all demands, claims, actions, causes of action, suits and/or complaints for damage or loss to property or from injury or death to persons, which arise out of and are directly related to Lessee's use of the Subject Lands for the purposes herein stated, including but not limited to damages to the land or persons acting on behalf of Lessee, litigation and other costs, expenses, attorney's fees, expert witness fees and other losses and costs incurred by Lessor. Likewise, Lessor will indemnify, defend and hold harmless Lessee - Operator, its officers, directors, employees, associates, agents, representatives, attorneys, consultants, affiliated companies, partners, independent contractors, subcontractors, successors and assigns from and against any and all demands, claims, actions, causes of action, suits and/or complaints for damage or loss to the Leased Premises or from injury or death to persons which arise out of and which are directly related to Lessor's use of the Subject Lands, including damages, litigation and other costs, expenses, attorney's fees, expert fees and other losses or expenses incurred by Operator. Notwithstanding anything to the contrary contained herein, the provisions of this paragraph will survive any release(s) and/or termination of the Agreement by its terms, any other provision of law, or otherwise.
- Lessor hereby fully and forever releases and discharges said Lessee, its officers, 18. directors, employees, associates, agents, representatives, attorneys, consultants, affiliated companies, partners, independent contractors, subcontractors, successors and assigns from any and all debts, claims, demands, direct and consequential damages, injuries and causes of action whatsoever, which may have arisen heretofore or hereafter be asserted, by Lessor, or Lessor's heirs, successors and assigns, attributable to all operations conducted pursuant hereto, including but not limited to damage to crops, trees, agriculture, livestock, wildlife, aquatic life and other aquiculture, fences, pasture lands, facilities, surface restoration and clean-up operations on and/or anything incidental thereto, including the injection of, and or spreading of drilling muds, salt water and other chemicals and fluids in accordance with and pursuant to all governmental rules and regulations, all of which said damages and injury to Lessor that may be or may have been caused by Lessee's operations and/or operations conducted on its behalf on the Subject Lands; provided, Lessee will (i) pay Landowner the amounts required hereunder; (ii) pay Landowner for the value of timber or crops cut or damaged as a result of Lessee's operations on the Subject Lands (not including timber or crops cut or damaged as a result of (a) any improvements of, repairs to, or maintenance of roads on the Subject Lands or (b) keeping the right-of-way over any pipeline laid or used hereunder clear of trees, undergrowth, brush and obstructions), (iii) clean up and restore the Subject Lands, as near as is practicable, to the condition which said lands existed prior to the oil and gas operations authorized hereunder, provided however that the following are not included in such restoration efforts: (a) reclamation or removal of any roads constructed or used by Lessee, which shall be abandoned to Lessor in good condition, less normal wear and tear, upon the termination hereof, or (b) removal of any pipeline(s) constructed or used by Lessee hereunder, within one hundred eighty (180) days of the expiration or termination of this agreement, and in any event, all in compliance with the laws, rules and regulations of the State of Mississippi, and (iv) properly plug and abandon



said Well in accordance with applicable federal and state rules and regulations. Notwithstanding anything to the contrary herein, Lessee's obligations under the foregoing clauses (ii), (iii) and (iv) of this paragraph will survive any release(s) and/or termination of the Agreement by its terms, any other provision of law, or otherwise.

- 19. Notwithstanding any provision to the contrary in this Agreement, it is understood and agreed between the parties hereto that the execution of this Agreement and the performance of Lessee hereunder shall not release, waive, amend, alter or otherwise change any rights of Lessee or any others that may hold and own minerals, royalties, oil, gas and mineral leases, or other such similar rights with respect to the said well or any other well or wells that may be located upon said lands or lands pooled therewith.
- 20. Lessor covenants and agrees to execute any and all other instruments as may further be required after this instrument is executed in order to vest in Lessee such right-of-way easements, surface easements and rights for access, ingress and egress and any and all rights incident thereto as the same may be necessary, convenient and/or incidental for the operations contemplated hereunder on the Subject Lands. Lessor further agrees that, if required by any utility company supplying utility service for such operations, Lessor shall execute and deliver a specific right-of-way conveyance, assignment or agreement which is agreeable to any such utility company for such purpose.
- 21. This Agreement may be filed for recording in the office of the Chancery Clerk of Jones County,  $2^{nd}$  Judicial District, State of Mississippi. This instrument embodies the entire and complete agreement between the parties herein, including the sums payable hereunder and may be amended in writing executed by both parties, or their successors and assigns.

WITNESS our signatures as of the effective date mentioned above:

LANDOWNERS/LESSOR:	OPERATOR/LESSEE:
By:Curtis Lee Powell	TIGER PRODUCTION COMPANY, LLC By: CCORE ENERGY HOLDING COMPANY, LLC, ITS SOLE MEMBER
By: *********************	By: R. Marsh Nippes, Manager
	**************************************
Personally appeared before me, the undersig	gned authority in and for said County and State, within 2015, the within named <b>CURTIS LEE POWELL,</b> who bing instrument.
(seal)	Notary Public
Commission expiration date:	_



STATE OF MISSISSIPPI	REPRESENTATIVE ACKNOWLEDGMENT
COUNTY OF	
acknowledged that he is <b>Man</b> managed limited liability comparanaged limited liability l	fore me, the undersigned authority in and for the said county and state, on 2015, within my jurisdiction, the within named <b>R. Marsh Nippes</b> , who <b>ager of CCore Energy Holding Company, LLC</b> , a Mississippi managerany, sole member of Tiger Production Company, LLC, a Mississippi memberany, and that for and on behalf of CCore Energy Holding Company, LLC, as uction Company, LLC, and as its act and deed, he executed the above and having been duly authorized by said limited liability companies so to do.
	NOTARY PUBLIC
Commission expiration date:	