

Williams County, Ohio • Northwest Twp

40±
Acres

OFFERED IN 3 TRACTS

- Productive Tillable Land
- Recreational/Hunting
- Home

Real Estate
AUCTION



MONDAY, SEPTEMBER 28TH at 6:00 PM

INFORMATION BOOKLET

800-451-2709 | SchraderAuction.com

2% Buyer's Premium



MULTI-TRACT AUCTIONS

DISCLAIMER:

This information booklet includes information obtained or derived from third-party sources. Although believed to be accurate and from reliable sources, such information is subject to verification and is not intended as a substitute for a prospective buyer's independent review and investigation of the property. Prospective buyers are responsible for completing their own due diligence.

THIS PROPERTY IS OFFERED "AS IS, WHERE IS". NO WARRANTY OR REPRESENTATION, STATED OR IMPLIED, IS MADE CONCERNING THE PROPERTY. Without limiting the foregoing, Owner and Auction Company and their respective agents and representatives, assume no liability for (and disclaim any and all promises, representations and warranties with respect to) the information and reports contained herein.

OWNER: Dakota Shaffer

AUCTION COMPANY: Schrader Real Estate and Auction Company, Inc.

Jerry W. Ehle, 2013000026, SAL.2006001035
Schrader Real Estate and Auction Company, Inc, 63198513759, REC.0000314452



SCHRADER REAL ESTATE & AUCTION CO., INC.
950 N. Liberty Dr., Columbia City, IN 46725
260-244-7606 or 800-451-2709
SchraderAuction.com

AUCTION TERMS & CONDITIONS:

PROCEDURE: The property will be offered in 3 individual tracts, any combination of tracts and as a total 40± acre unit. There will be open bidding on all tracts and combinations during the auction as determined by the Auctioneer. Bids on tracts, tract combinations and the total property may compete.

BUYER'S PREMIUM: A 2% Buyer's Premium will be added to the final bid price and included in the contract purchase price.

DOWN PAYMENT: 10% down payment on the day of auction for individual tracts or combinations of tracts. The down payment may be made in the form of cashier's check, personal check, or corporate check. **YOUR BIDDING IS NOT CONDITIONAL UPON FINANCING**, so be sure you have arranged financing, if needed, and are capable of paying cash at closing.

ACCEPTANCE OF BID PRICES: All successful bidders will be required to enter into Purchase Agreements at the auction site immediately following the close of the auction. All final bid prices are subject to the Sellers' acceptance or rejection.

EVIDENCE OF TITLE: Seller shall provide an owner's title insurance policy in the amount of the purchase price.

DEED: Seller shall provide Warranty Deed(s).

CLOSING: The targeted closing date will be approximately 30 days after the auction.

POSSESSION: Possession is at Closing on Tracts 2 & 3. Tract 1 is subject to tenant's rights to 2026

crop.

REAL ESTATE TAXES: Real estate taxes will be the responsibility of the Buyer(s) beginning with taxes due in 2028 and thereafter. Seller to pay all taxes for 2026 due in 2027.

The property is currently enrolled in the CAUV program.

PROPERTY INSPECTION: Each potential Bidder is responsible for conducting, at their own risk, their own independent inspections, investigations, inquiries and due diligence concerning the property. Inspection dates have been scheduled and will be staffed with auction personnel. Further, Seller disclaims any and all responsibility for Bidder's safety during any physical inspection of the property. No party shall be deemed an invitee of the property by virtue of the offering of the property for sale.

ACREAGE: All tract acreages, dimensions, and proposed boundaries are approximate and have been estimated based on current legal descriptions and/or aerial photos.

SURVEY: The Seller shall provide a new survey where there is no existing legal description or where new boundaries are created by the tract divisions in this auction. Any need for a new survey shall be determined solely by the Seller. Seller and successful bidder shall each pay half (50:50) of the cost of the survey. The type of survey performed shall be at the Seller's option and sufficient for providing title insurance. Combination purchases will receive a perimeter survey only.

AGENCY: Schrader Real Estate & Auction Company, Inc. and its

representatives are exclusive agents of the Seller.

DISCLAIMER AND ABSENCE OF WARRANTIES: All information contained in this brochure and all related materials are subject to the terms and conditions outlined in the Purchase Agreement. The property is being sold on an "AS IS, WHERE IS" basis, and no warranty or representation, either expressed or implied, concerning the property is made by the Seller or the Auction Company. All sketches and dimensions in the brochure are approximate. Each potential bidder is responsible for conducting his or her own independent inspections, investigations, inquiries, and due diligence concerning the property. The information contained in this brochure is subject to verification by all parties relying on it. No liability for its accuracy, errors, or omissions is assumed by the Seller or the Auction Company. Conduct of the auction and increments of bidding are at the direction and discretion of the Auctioneer. The Seller and Selling Agents reserve the right to preclude any person from bidding if there is any question as to the person's credentials, fitness, etc. All decisions of the Auctioneer are final.

ANY ANNOUNCEMENTS MADE THE DAY OF THE SALE TAKE PRECEDENCE OVER PRINTED MATERIAL OR ANY OTHER ORAL STATEMENTS MADE.

STOCK PHOTOGRAPHY: Some animal photos are for illustrative purposes only and are not of the auction property.

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**For Information Call Auction Manager:
Jerry Ehle, 260-410-1996**



REGISTRATION FORMS

BIDDER PRE-REGISTRATION FORM

MONDAY, SEPTEMBER 28, 2026

40± ACRES – WILLIAMS COUNTY, OHIO

For pre-registration, this form must be received at Schrader Real Estate and Auction Company, Inc.,
P.O. Box 508, Columbia City, IN, 46725,
Email to auctions@schraderauction.com or fax to 260-244-4431, no later than Monday, September 21, 2026.
Otherwise, registration available onsite prior to the auction.

BIDDER INFORMATION

(FOR OFFICE USE ONLY)

Name _____

Bidder # _____

Address _____

City/State/Zip _____

Telephone: (Res) _____ (Office) _____

My Interest is in Tract or Tracts # _____

BANKING INFORMATION

Check to be drawn on: (Bank Name) _____

City, State, Zip: _____

Contact: _____ Phone No: _____

HOW DID YOU HEAR ABOUT THIS AUCTION?

☐ Brochure ☐ Newspaper ☐ Signs ☐ Internet ☐ Radio ☐ TV ☐ Friend

☐ Other _____

WOULD YOU LIKE TO BE NOTIFIED OF FUTURE AUCTIONS?

☐ Regular Mail ☐ E-Mail E-Mail address: _____

☐ Tillable ☐ Pasture ☐ Ranch ☐ Timber ☐ Recreational ☐ Building Sites

What states are you interested in? _____

Note: If you will be bidding for a partnership, corporation or other entity, you must bring documentation with you to the auction which authorizes you to bid and sign a Purchase Agreement on behalf of that entity.

I hereby agree to comply with terms of this sale including, but not limited to, paying all applicable buyer's premiums, and signing and performing in accordance with the contract if I am the successful bidder. Schrader Real Estate and Auction Company, Inc. represents the Seller in this transaction.

Signature: _____ Date: _____

Online Auction Bidder Registration
40± Acres • Williams County, Ohio
Monday, September 28, 2026

This form and deposit are only
required if you cannot attend
the auction and wish to bid
remotely through our online
bidding system.

This registration form is for the auction listed above only. The person signing this form is personally responsible for any bids placed on the auction site, whether bidding on behalf of their personal account or on behalf of a corporation or other third party. If you are bidding on behalf of a third party, you are responsible for obtaining the necessary documentation authorizing you to bid on behalf of the third party. Schrader Real Estate and Auction Co., Inc. will look to the herein registered bidder for performance on any bid placed on this auction if you are the successful high bidder.

As the registered bidder, I hereby agree to the following statements:

1. My name and physical address is as follows:

My phone number is: _____

2. I have received the Real Estate Bidder's Package for the auction being held on Monday, September 28, 2026 at 6:00 PM (EST).
3. I have read the information contained in the Real Estate Bidder's Package as mailed to me or by reading the documents on the website (www.schraderauction.com) and understand what I have read.
4. I hereby agree to comply with all terms of this sale, including paying all applicable buyer's premiums, and signing and performing in accordance with the Real Estate Purchase Agreement if I am the successful bidder.
5. I understand that Schrader Real Estate and Auction Co., Inc. represent the Seller in this transaction.
6. I am placing a deposit with Schrader Real Estate and Auction Co., Inc. Escrow in the amount of \$ _____. I understand that the maximum bid or combination of bids I place may not exceed an amount equal to ten times the amount of my deposit. My deposit is being conveyed herewith in the form of a cashier's check payable to Schrader Real Estate and Auction, Co., Inc. Escrow or via wire transfer to the escrow account of Schrader Real Estate and Auction, Co., Inc. per the instructions below. I understand that my deposit money will be returned in full via wire transfer on the next business day if I am not the successful high bidder on any tract or combination of tracts.

Schrader Real Estate & Auction Company, Inc.
950 North Liberty Drive / P.O. Box 508, Columbia City, IN 46725
Phone 260-244-7606; Fax 260-244-4431; email: auctions@schraderauction.com

For wire instructions please call 1-800-451-2709.

7. My bank routing number is _____ and bank account number is _____.
(This for return of your deposit money). My bank name, address and phone number is:

8. **TECHNOLOGY DISCLAIMER:** Schrader Real Estate and Auction Co., Inc., its affiliates, partners and vendors, make no warranty or guarantee that the online bidding system will function as designed on the day of sale. Technical problems can and sometimes do occur. If a technical problem occurs and you are not able to place your bid during the live auction, Schrader Real Estate and Auction Co., Inc., its affiliates, partners and vendors will not be held liable or responsible for any claim of loss, whether actual or potential, as a result of the technical failure. I acknowledge that I am accepting this offer to place bids during a live outcry auction over the Internet *in lieu of actually attending the auction* as a personal convenience to me.
9. This document and your deposit money must be received in the office of Schrader Real Estate & Auction Co., Inc. by **4:00 PM, Monday, September 21, 2026**. Send your deposit and return this form via fax or email to: **260-244-4431 or auctions@schraderauction.com**.

I understand and agree to the above statements.

Registered Bidder's signature

Date

Printed Name

This document must be completed in full.

Upon receipt of this completed form and your deposit money, you will be sent a bidder number and password via e-mail. Please confirm your e-mail address below:

E-mail address of registered bidder: _____

Thank you for your cooperation. We hope your online bidding experience is satisfying and convenient. If you have any comments or suggestions, please send them to:
kevin@schraderauction.com or call Kevin Jordan at 260-244-7606.

LOCATION & TRACT MAPS

LOCATION MAP

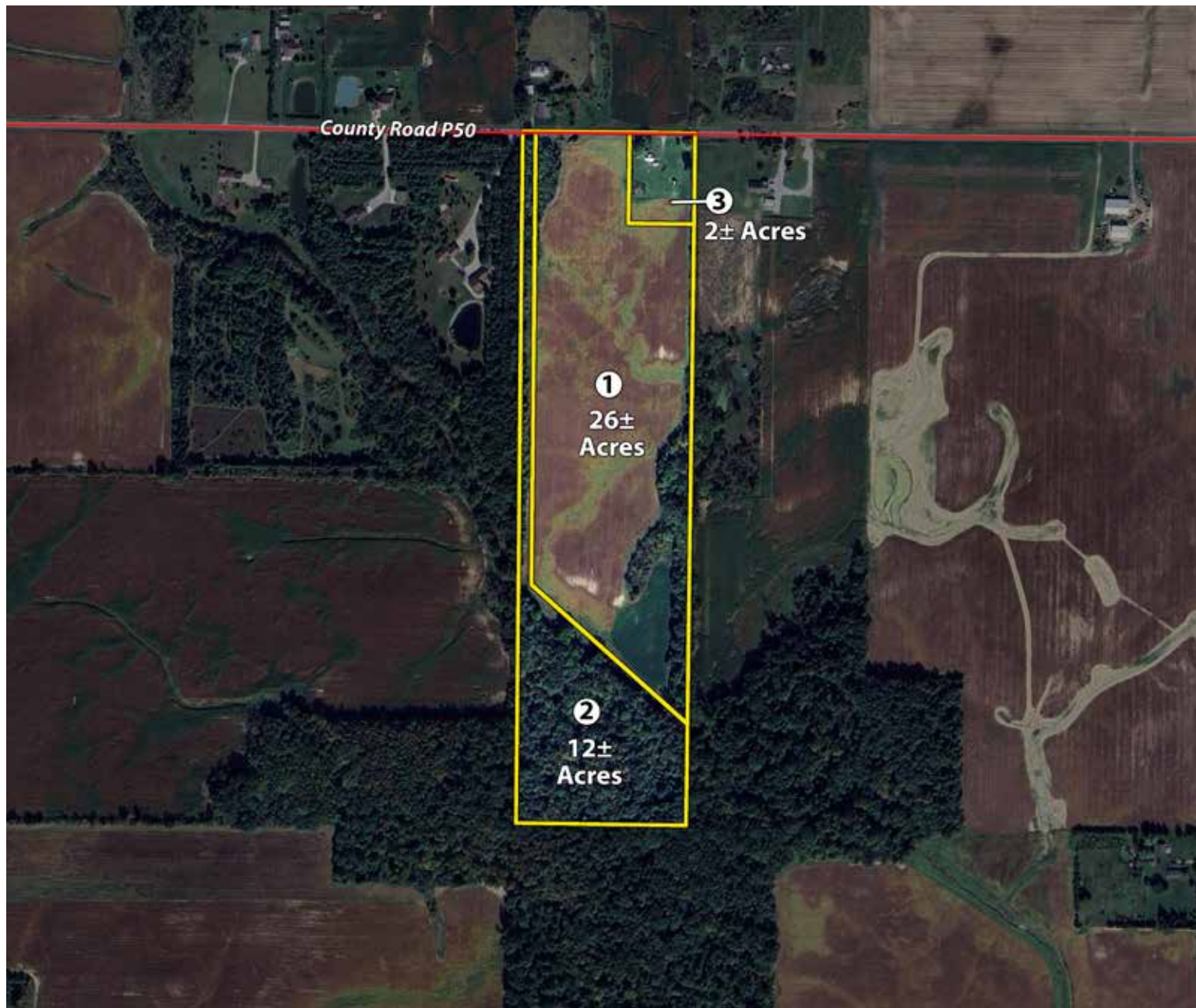


PROPERTY ADDRESS: 4594 County Road P50 Edon, OH 43518

Located south of Camden, MI 7 MI on SR 49 to County Road P50 then east 1/2 mile to property.

AUCTION LOCATION: The Northwest Twp Community Center,
1654 County Road P50, Edon OH 43518

TRACT MAP



TRACT DESCRIPTIONS:

TRACT 1: 26± ACRES with road frontage on County Road P50. Good productive land with mostly Blount, Glywood and Sloan loam soils.

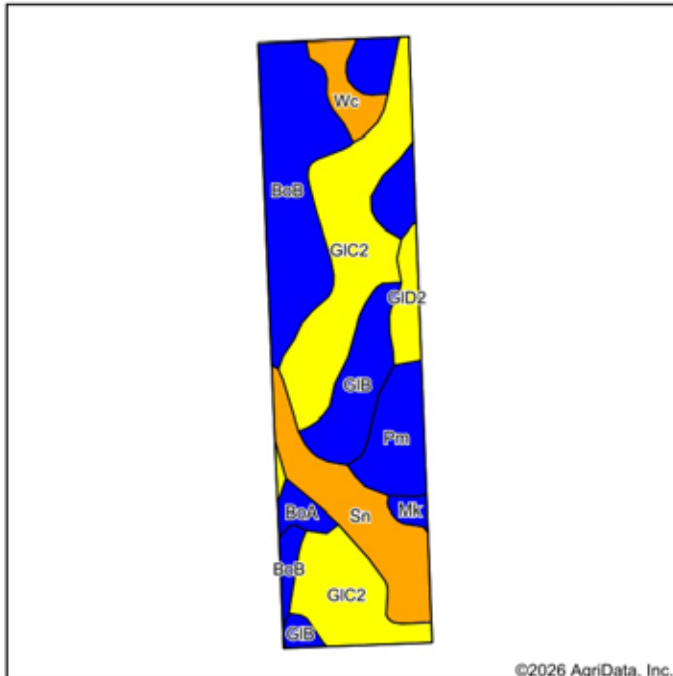
TRACT 2: 12± ACRES recreational and hunting ground with lots of trees throughout that are tall and straight. Property has a grass waterway along the north side of the north branch of Eagle Creek. There is a nice wide culvert that make easy crossing of the creek into the woods. The woods open up with numerous wildlife and other trails and will offer lots of great hunting, hiking and camping opportunities. The woods are mostly high and rolling with wooded acres bordering on 3 sides. Access is from a 50' driveway to County Road P50.

TRACK 3: 2± ACRES with two-story older home with new windows that is in need of re-modeling. The property has well and septic plus two small outbuildings with road frontage on County Road P50. This could make a good fixer upper. The home has been empty the last few years.

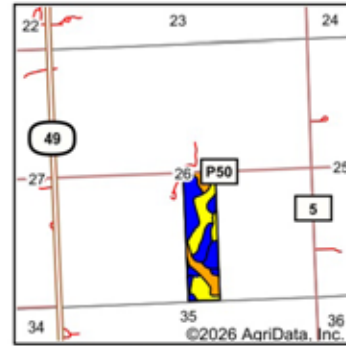
FSA Farm #2724 - 22.03 acres

SOIL INFORMATION

SOIL MAP - Whole Property



Soils data provided by USDA and NRCS.



State: **Ohio**
 County: **Williams**
 Location: **26-9S-4W**
 Township: **Northwest**
 Acres: **39.79**
 Date: **7/31/2026**

SCHRADER
 Real Estate and Auction Company, Inc.

Maps Provided By
surety
 CUSTOMER ONLINE MAPPING INC.
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Area Symbol: OH171, Soil Area Version: 22

Code	Soil Description	Acres	Percent of field	Non-Irr Class Legend	Non-Irr Class	Corn Bu	Corn	Corn silage Tons	Grass legume hay Tons	Grass legume hay	Oats Bu	Orchardgrass alfalfa hay Tons	Soybeans Bu	Soybeans	Winter wheat Bu	*eFOTG Pl	
GIC2	Glynwood loam, 6 to 12 percent slopes, moderately eroded	12.84	32.3%		Ive	85			3.8		65	3.5	28		32	61	
BoB	Blount loam, loamy substratum, 2 to 6 percent slopes	10.64	26.7%		Ile	105			4.6		74	4.3	36		48	74	
Sn	Sloan loam, 0 to 2 percent slopes, frequently flooded	5.20	13.1%		Ilhw	120			4				42			80	
GIB	Glynwood loam, 2 to 6 percent slopes	3.89	9.8%		Ile	133		17	4.4		79		43		57	70	
Pm	Pewamo silty clay loam, 0 to 1 percent slopes	3.07	7.7%		Ilhw	157			5				47		64	84	
Wc	Walkill silt loam, 0 to 2 percent slopes	1.54	3.9%		Ilhw		145			4.8				51		0	
GID2	Glynwood loam, 12 to 18 percent slopes, moderately eroded	1.35	3.4%		Ive				3.6		65	3.5			30	56	
BoA	Blount loam, loamy substratum, 0 to 2 percent slopes	0.81	2.0%		Ilhw	110			4.6		76	4.3	40		50	78	
Mk	Millgrove clay loam	0.45	1.1%		Ilhw	115			5.4		85	5	35		45	97	
Weighted Average						2.88	99.8	5.6	1.7	4.1	0.2	53.2	2.5	33.2	2	36.2	67.6

*eFOTG Pl: Obtained from the NRCS eFOTG (<http://efotg.sc.gov.usda.gov>)

TOPO CONTOURS MAP



©2026 AgriData, Inc.



Source: USGS 3 meter dem

Interval(ft): 3.0

Min: 945.2

Max: 980.5

Range: 35.3

Average: 966.1

Standard Deviation: 8.2 ft

0ft 463ft 926ft



7/31/2026

26-9S-4W
Williams County
Ohio

Boundary Center: 41° 39' 13.13, -84° 44' 11.3

Maps Provided By
surety
CUSTOMER ONLINE MAPPING
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FLOOD ZONE MAP

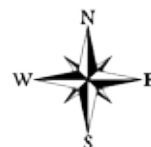


Map Center: 41° 39' 13.13, -84° 44' 11.3

0ft 477ft 953ft



26-9S-4W
Williams County
Ohio



7/31/2026

Flood related information provided by FEMA

FSA INFORMATION

FSA INFORMATION



Williams County
Ohio

Farm 2724
Tract 3238

Tract Cropland Total: 22.03 acres
Phy. County: Williams, OH

2026 Program Year

2025 Imagery
Map Created 07/28/2026



- Tract Boundary
- Noncropland
- Cropland
- Wetland Determination Identifiers
 - Restricted Use
 - Limited Restrictions
 - Exempt from Conservation Compliance Provisions

United States Department of Agriculture (USDA) Farm Service Agency (FSA) maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership; rather it depicts the information provided directly from the producer and/or National Agricultural Imagery Program (NAIP) imagery. The producer accepts the data as is, and assumes all risks associated with its use. USDA-FSA assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-020 and attached maps) for exact boundaries and determinations or contact USDA NRCS. USDA is an equal opportunity provider, employer, and lender.



PRELIMINARY TITLE

PRELIMINARY TITLE

PRE-AUCTION SEARCH

Dakota C. Shaffer

Address of Property: 04594 County Road P-50, Edon, Ohio 43518

R.4 T.9 S.26 W ¼ SE 40A

Title Vested In:

Dakota C. Shaffer

By virtue of a Certificate of Transfer

From: The estate of Dale L. Boyer, deceased

Dated: June 10, 2022

Filed: June 16, 2022, at 10:59 A.M. O'clock

Official Record Volume 349, Page 4612 Williams County Recorder's Office

Description:

Situated in the Township of Northwest in the County of Williams and State of Ohio, and bounded and described as follows: Known as and being the west one-fourth of the southeast quarter of Section Twenty-six (26), Town Nine (9) South, Range Four (4) West, containing forty (40) acres, be the same more or less, subject to all legal highways and easements of record.

Parcel No. 094-260-00-012.000

Mortgage

from Dakota C. Shaffer, an unmarried individual, to The Sherwood State Bank, in the amount of \$27,206.25.00, dated December 15, 2022, filed for record December 15, 2022 in Official Record Volume 351, page 5311.

Taxes:

The taxes for the first half of the year 2025 in the amount of \$706.27 + 6.76* + 62.99** = \$776.02 and all prior taxes and assessments are fully paid.

The taxes for the second half of the year 2025 are a lien and are due and payable as follows:

Due July, 2026

\$578.97

6.76 *Code #40-777

62.98 **Code #11-583

\$648.71 Due and Delinquent

The taxes for the year 2026 are a lien against said premises but have not yet been determined and spread upon the tax duplicates.

"Subject to increases in taxes and valuation due to vote levies and/or revaluation not yet certified by the County Auditor and/or revaluation made under an action brought pursuant to Sec. 5715.19 O.R.C."

Said premises are listed at the following valuations for taxation purposes:

Parcel No. 094-260-00-012.000

Land - \$54,780.00; Buildings - \$12,320.00; Total - \$67,100.00

Special Assessment

*Code #40-777 St Joe Watershed Perm-Main, Ditch Assessment, determined yearly.

**Code #11-583 Alexander Main, Ditch Assessment, determined yearly.

Easements and Restrictions:

Easement from Christena Messner to Northwestern Electric Company, Inc. as recorded in Deed Record Volume 146, page 60. A copy is attached.

Lease:

Oil and Gas Lease from Dale L. Boyer, a single man, to Western Land Services, Inc., dated May 1, 2008, filed for record July 21, 2008, in Lease Volume 241, page 712. A copy is attached.

Oil and Gas Lease from Richard J. Borckardt a single man, to Western Land Services, Inc., dated March 25, 2008, filed for record July 21, 2008, in Lease Volume 241, page 703. A copy is attached.

PRELIMINARY TITLE

CAUV NOTE:

Said captioned parcel is currently receiving a CAUV tax credit. Therefore, any change in the usage of the Land, failure to apply and/or re-apply on an annual basis may result in a recoupment fee charged to the then current owner at a later date. The Company assumes no liability for any such recoupment.

NOTE: We do not represent the presence or absence of liens in favor of the State of Ohio for Medicaid assistance if those liens are not actually of public record.

Dated this 26th day of August, 2026.

NEWCOMER, SHAFFER, SPANGLER & BREININGER

BY: _____



Ryan S. Breininger

PL# 073937-00000
RSB:mes

PRELIMINARY TITLE

GRANT OF RIGHT-OF-WAY

KNOW ALL MEN BY THESE PRESENTS: That... Christina Messner, Esq., Ohio

in consideration of One Dollar and other valuable consideration to her...
paid by Northwestern... ELECTRIC COOPERATIVE, INC., grantee, the receipt whereof is hereby
acknowledged, do... hereby grant, bargain, sell and convey to said Northwestern... ELECTRIC
COOPERATIVE, INC. its successors and assigns forever, the perpetual right and easement to erect and maintain
electric lines, consisting of conduits, cables, poles, wires and distributing appliances, for the purpose of distributing,
transmitting, and using electricity, over, under, and across the following real estate, to-wit:

Sec. 26, R4, T9, W4 S.E. NW NESE

The route to be taken by said lines across said lands shall be as follows: Along the North... side
of the County road 1/2 mi. east of Cooney... road as now or hereafter located
within one foot of highway limit

With full right and authority to the grantee, its successors and assigns, to enter at all times upon said premises,
for the purpose of constructing, repairing, replacing, and maintaining conduits, towers, poles, or other supports, and
wires and distributing appliances, with all necessary braces, guys, anchors, and transformers, and stringing upon such
towers, poles, or other supports or supporting therefrom, or placing in such conduits, lines of wire or other conductors
for the transmission of electric energy, and to trim or remove any trees which at any time may interfere or threaten
to interfere with the maintenance of such lines.

This easement shall be in full force and effect provided construction shall be begun on or before the... 1st

day of July... 1937

Signed this 16... day of January... 1935

Signed and acknowledged in the presence of:

Mark R. Wells
Eurr Mubbell

Christina Messner

STATE OF OHIO
Williams... COUNTY } ss.

Be it remembered that on this 16... day of December... 1936, personally
appeared before me, the undersigned, a Notary Public in and for said County, the above named
Christina Messner

grantor... in the foregoing grant, and acknowledged the execution thereof to be her... voluntary act and deed.
IN TESTIMONY WHEREOF, I have hereunto signed my name and affixed my official seal the day and year last
mentioned above.

Notary Public, F. B. Traxler, Williams... County, Ohio.

SEAL F. B. Traxler

Commission Expires May 21, 1939

Transfer Not Necessary

Received for Record May 16... 1938 at 11:56 o'clock A. M.

Recorded May 18... 1938

Fee \$.50... Charles Pass... Recorder

Vergie Stayer... Deputy

Deed Volume 146 at Page 60

PRELIMINARY TITLE

BR 024 | PRE 0712

200800082536
Filed for Record in
WILLIAMS COUNTY, OHIO
PATSY A. HEALER
07-21-2008 at 05:03 pm.
LEASE 44.00
Book 241 Page 712 - 715

200800082536
WESTERN LAND SERVICES
LRS ENV

OIL AND GAS LEASE (PAID UP)

Prospect: Nettle Lake

Lease No. WLS21077

THIS AGREEMENT is made as of the day 15 of May, 2008, by and between Dele L. Bower, a single man of 4594 County Road, P-50, Eden, OH, 43518, hereinafter called Lessor (whether one or more), and WESTERN LAND SERVICES, INC. of 1100 Conrad Industrial Drive, Ludington, Michigan 49431, hereinafter called Lessee

1. Lessor, for and in consideration of \$10.00 and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, and the covenants and agreements of the Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land described below, including all interests therein Lessor may acquire by operation of law, reversion or otherwise, (herein called "said land"), exclusively, for the purposes of exploring by geophysical and other methods, drilling, mining, operating for and producing oil and/or gas, together with all rights, privileges and easements useful or convenient in connection with the foregoing and in connection with treating, storing, caring for, transporting and removing oil and/or gas of whatsoever nature or kind, including coal seam methane gas, produced from said land or any other land adjacent thereto, including but not limited to rights to lay pipelines, build roads, drill, establish and utilize wells and facilities for disposition of water, brine or other fluids, and for enhanced production and recovery operations, and for purposes of conducting gas storage operations, and construct tanks, power and communication lines, pump and power stations, and other structures and facilities. Said land is located in the County of Williams, State of Ohio, and is described as follows:

Township 9 South, Range 4 West, Northwest Township, Williams County, Ohio
Section 26 The West 1/4 of the Southeast 1/4

Containing 40 acres, more or less, and all lands and interests therein contiguous or appurtenant to the land specifically described above that are owned or claimed by Lessor, or to which Lessor has a preference right of acquisition, including but not limited to all lands underlying all alleys, streets, roads or highways and all riparian or submerged lands along and/or underlying any rivers, lakes or other bodies of water. The term "oil" when used in this lease shall mean crude oil and other hydrocarbons, regardless of gravity, produced at the well in liquid form by ordinary production methods, including condensate separated from gas at the well. The term "gas" when used in this lease shall mean hydrocarbons produced in a gaseous state at the well (not including condensate separated from gas at the well), helium, nitrogen, carbon dioxide and other commercial gases.

2. It is agreed that this lease shall remain in force for a primary term of 5 (five) years from the date of this lease, and as long thereafter as operations are conducted upon said land or on lands pooled or unitized therewith with no cessation for more than 120 consecutive days; provided, however, that in no event shall this lease terminate unless production of oil and/or gas from all wells located on said land, or on lands pooled or unitized therewith, has permanently ceased. If operations commenced during the primary term are discontinued less than 120 days before the end of the term, this lease shall not terminate at the end of the primary term if operations are again conducted within 120 days after the discontinuance. Whenever used in this lease the word "operations" shall refer to any of the following and any activities related thereto: preparing location for drilling, drilling, testing, completing, equipping, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil and/or gas, and production of oil and/or gas whether or not in paying quantities.

3. Lessee covenants and agrees to pay the following royalties: (a) To deliver to the credit of the Lessor into bank reservoirs or into the pipeline to which Lessee may connect its well, one-eighth (1/8) of the oil produced and saved from said land, Lessor's interest to bear one-eighth (1/8) of the cost of treating oil to render it marketable pipeline oil, or from time to time, at the option of Lessee, Lessee may sell the oil produced and saved from said land and pay Lessor one-eighth (1/8) of the net amount realized by Lessee, computed at the wellhead, whether the point of sale is on or off said land. (b) To pay Lessor on gas produced from said land (1) when sold by Lessee, whether the point of sale is on or off said land, one-eighth (1/8) of the net amount realized by Lessee computed at the wellhead, or (2) when used by Lessee, for purposes other than those specified in Paragraph numbered 7 of this lease, the net market value, at the wellhead, of one-eighth (1/8) of the gas so used. Prior to payment of royalty, Lessor shall execute a Division Order setting forth his interest in production. Lessee may pay all taxes and fees levied upon the oil and gas produced, including, without limitation, severance taxes and privilege and surveillance fees, and deduct a proportionate share of the amount so paid from any royalties payable to Lessor hereunder.

WLS OGL Paid UP 022508 496

PRELIMINARY TITLE

OR 024 | PAGE 6713

4. If any well, capable of producing oil and/or gas, whether or not in paying quantities, located on said land or on lands pooled or unitized with all or part of said land, is at any time shut-in and production therefrom is not sold or used off the premises, nevertheless such shut-in well shall be considered a well producing oil and/or gas and this lease will continue in force while such well is shut-in, notwithstanding expiration of the primary term. In lieu of any implied covenant to market, Lessee expressly agrees to market oil and/or gas produced from Lessee's wells located on said land or on lands pooled or unitized therewith, but Lessee does not covenant or agree to reinject or recycle gas, to market such oil and/or gas under terms, conditions or circumstances which in Lessee's judgment are uneconomic or otherwise unsatisfactory or to bear more than Lessee's revenue interest share of the cost and expense incurred to make the production marketable. If all wells on said land, or on lands pooled or unitized with all or part of said land, are shut-in, then within 60 days after expiration of each period of one year in length (annual period) during which all such wells are shut-in, Lessee shall be obligated to pay or tender, as royalty, to Lessor, the sum of \$1.00 multiplied by the number of acres subject to this lease, provided, however that if production from a well or wells located on said land or on lands pooled or unitized therewith is sold or used off the premises 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 other than solely by reason of the shut-in well(s), Lessee shall not be obligated to pay or tender said sum of money for that annual period. This shut-in royalty payment may be made in currency, draft or check, at the option of Lessee, and the depositing of such payment in any post office, with sufficient postage and properly addressed to Lessor, within 60 days expiration of the annual period shall be deemed sufficient payment as herein provided.

5. If Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall give written notice to Lessee specifically describing Lessee's non-compliance. Lessee shall have 120 days from receipt of such notice to commence, and shall thereafter pursue with reasonable diligence, such action as may be necessary or proper to satisfy such obligation of Lessee, if any, with respect to Lessor's notice. Neither the service of said notice nor the doing of any acts by Lessee in response thereto shall be deemed an admission or create a presumption that Lessee has failed to perform all its obligations hereunder. No judicial action may be commenced by Lessor for forfeiture of this lease or for damages until after said 120 day period. Lessee shall be given a reasonable opportunity after a final court determination to prevent forfeiture by discharging its express or implied obligation as established by the court. If this lease is cancelled for any cause, it shall, nevertheless remain in force and effect as to (a) sufficient acreage around each well as to which there are operations, so as to constitute a drilling or maximum allowable unit under applicable governmental regulations, such acreage to be designated by Lessee in such shape as then existing spacing rules permit and (b) any part of said land included in a pooled or unitized unit on which there are operations. Lessee shall also have such easements on said land as are necessary or convenient for operations on the acreage so retained.

6. If this lease covers less than the entire undivided interest in the oil and gas in said land (whether Lessor's interest is herein specified or not), then the royalties, shut-in royalties and any extension payment pursuant to Paragraph numbered 19 below shall be paid to Lessor only in the proportion which the interest in oil and gas covered by this lease bears to the entire undivided interest therein.

7. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operations hereunder, except water from the wells of Lessor. When requested by Lessor, Lessee shall bury Lessee's pipelines below plow depth. No well shall be drilled nearer than 200 feet from the house or barn now on said land without written consent of Lessor. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land. 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 and any other downhole equipment and fixtures.

8. Lessee is hereby granted the right to pool or unitize said land or any part of said land, either before or after production is established, with other lands, as to any or all minerals or horizons, to establish units containing not more than approximately 640 acres. Lessee may enlarge the unit to the maximum area permitted herein and may reform said unit to include after-acquired leases within the unit area. Lessee may create, modify, enlarge or reform the unit or units as above provided at any time, and from time to time during the continuance of this lease, either before or after production is obtained. A unit established hereunder shall be effective for all purposes of this lease, whether or not all interests in the lands in the units are effectively pooled or unitized. Lessee may, but shall not be required to, drill more than one well in each unit. Lessee may reduce or terminate such unit or units at any time prior to the discovery of oil or gas on the pooled or unitized lands, or at any time after discovery subsequent to the cessation of production. Lessee may create, modify, enlarge, reform, reduce, or terminate each unit by recording a written declaration to that effect in the Register of Deeds or recorder's office in the county or counties in which such unit is located. Any operations conducted on any part of the lands pooled or unitized shall be deemed to be on the lands leased herein within the meaning of all provisions of this lease. Production of oil and/or gas from the unit shall be allocated to the lands described herein which are included in the unit in the same proportion as the number of surface acres in the lands described herein which are included in the unit bears to the total number of surface acres in the unit.

9. In addition to the right to pool or unitize granted to the Lessee in Paragraph numbered 8 above, for the purpose of promoting the development of hydrocarbon production from shallow formations, as hereinafter defined, Lessee is granted the right to pool or unitize the shallow formations in said land, or any part of said land with other lands, to establish a unit or units of any size and shape for the drilling and operation of multiple wells. The right to pool or unitize is a recurring right exercisable either before or after production is established and is irrespective of whether authority similar to this exists with respect to each other land, lease or leases. The unit may consist of any number of tracts or parcels of land. The exercise of this right shall be effective only if the required well density (at least one straight hole well drilled into the pooled or unitized shallow formation for each 320 acres of the unit or one lateral well drilled in the pooled or unitized shallow formation for each 640 acres of the unit) is attained no later than five (5) years after recording of the written declaration of the unit. In the event lateral wells are drilled, the effective well density requirement shall be one well per 640 acres. As used herein, the term "shallow formations" shall mean formations between the surface of the earth and a depth of 2,560 feet. All provisions of Paragraph numbered 8, including those regarding Lessee's identification of a unit, the effect of operations conducted thereon and the allocation of production from wells thereon, shall apply in the same manner to a unit formed pursuant to this paragraph for production from shallow formations, except to the extent inconsistent with this paragraph. Lessee may amend, expand, reduce, reform or otherwise modify the unit by filing of record a written declaration to that effect, provided that the required well density is maintained, or is attained by the drilling of an additional well or wells within three (3) years after each such expansion. Lessor specifically acknowledges and agrees that the formation of units under this paragraph is intended to allow development of hydrocarbons in shallow formations which might otherwise not be economic, that units may be created, modified, enlarged, reformed, reduced or terminated to permit such economic development, that the validity of Lessee's actions in creating, modifying, enlarging, reforming, reducing or terminating such units shall not be dependent

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upon the existence of any geological justification, and that Lessee's right to create, maintain, modify, enlarge, reform, reduce or terminate any such units shall only be limited by the required well density provisions set forth above.

10. This lease is subject to laws and to rules, regulations and orders of any governmental agency having jurisdiction, from time to time in effect, pertaining to well spacing, pooling, unitization, drilling or production units, or use of material and equipment.

11. If, after the date hereof, the leased premises shall be conveyed in severalty or in separate tracts, the premises shall, nevertheless, be developed and operated as one lease, except that royalties as to any producing well shall be payable to the owner or owners of only those tracts located within the drilling unit designated by the state regulatory agency for such well and apportioned among said tracts on a surface acreage basis; provided, however, if a portion of the leased premises is pooled or unitized with other lands for the purpose of operating the pooled unit as one lease, that paragraph shall be incorporative as to the portion so pooled or unitized.

12. If Lessee is prevented from, or delayed in commencing, continuing, or resuming operations, or complying with its express or implied obligations hereunder by circumstances not reasonably within Lessee's control, this lease shall not terminate and Lessee shall not be liable for damages so long as said circumstances continue (the "period of suspension"). These circumstances include, but are not limited to the following: conflict with federal, state or local laws, rules, regulations and executive orders; acts of God; strikes; lockouts; riots; wars; improper refusal or undue delay by any governmental agency in issuing a necessary approval, license or permit applied for by Lessee; equipment failures; and inability to obtain materials in the open market or to transport said materials. If the period of suspension commences more than 120 days prior to the end of the primary term of this lease, then that period of suspension shall be added to the primary term. If the period of suspension commences less than 120 days prior to the end of the primary term or at any time after the primary term, then this lease shall not terminate if Lessee shall commence or resume operations within 120 days after the end of the period of suspension.

13. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants and provisions of this lease shall extend to such party's heirs, devisees, legal representatives, successors or assigns. Notwithstanding any other actual or constructive knowledge of Lessee, no change in the ownership of land or assignment of royalties or other monies, or any part thereof, shall be binding on Lessee until 45 days after Lessee has received, by certified mail, written notice of such change and the originals or certified copies of these instruments that have been properly filed for record and that shall be necessary in the opinion of Lessee to establish the validity of such change of ownership or division of interest. No change or division in the ownership of said land, royalties or other monies, or any part thereof, however accomplished, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, rights and obligations relating to the location and drilling of wells and the measurement of production. Upon assignment by Lessee, its successors or assigns, the assignor shall be released from, and the assignee shall assume, the responsibility to fulfill the conditions and to perform the covenants of this lease, express or implied, with regard to the interest assigned. Breach of any covenant or failure to fulfill any condition by an owner of any part of the leasehold interest created by this lease shall not defeat or affect the rights of the owner(s) of any other part.

14. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee may at any time pay all or part of any land contract, mortgage, taxes, or other liens or charges with respect to said land, either before or after maturity and be subrogated to the rights of the holder thereof, and that Lessee shall be entitled to reimbursement out of any royalty or other monies payable to Lessor hereunder. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

15. Lessee may at any time surrender this lease as to all or any part of said land, or as to any depth or formations therein, by delivering or mailing a release to Lessor if the lease is not recorded or by placing a release of record in the proper county if the lease is recorded. If this lease is surrendered only as to part of said land, any shut-in royalties which may thereafter be payable hereunder shall be reduced proportionately.

16. Lessee shall have the exclusive right to use any stratum or strata underlying the premises for the storage of gas or liquids and may, for such purpose, reopen and restore to operation any and all abandoned wells on the premises and may drill new wells thereon for the purpose of injecting and storing gas or liquids in such stratum or strata and withdrawing such gas or liquids therefrom. If Lessee intends to use the premises for such purpose or determines that it is so using the premises, Lessee may deliver to Lessor or have recorded in the county or counties in which this lease is recorded a declaration that the premises are being used, or from a specified date will be used for gas or liquid storage, and thereafter Lessee shall have the exclusive right to use the premises for such gas or liquid storage until such time as Lessee may deliver to Lessor or have recorded in such county or counties a surrender of the right granted to Lessee by this paragraph or until Lessee shall intentionally abandon the right to use the premises for such storage. During the period or periods that Lessee shall utilize the premises for the storage of gas or liquids, the royalties herein provided to be paid to Lessor shall accrue and become payable only on such gas and liquids as shall have been taken from such premises by Lessee over and above the amount thereof which Lessee theretofore shall have stored in such stratum or strata. For and during the period or periods that Lessee uses said premises for such storage, Lessee shall pay to Lessor a minimum royalty of Ten Dollars (\$10.00) per acre per year on the number of acres covered by this lease, such payment to be made not later than sixty (60) days from and after the end of each twelve month period during which the premises are utilized for storage. Lessee is expressly granted the right to use so much of the surface of the premises as is reasonably necessary in the exercise of the rights granted to Lessee by this paragraph. The rights granted to Lessee by this paragraph shall continue in force for the period of time hereinabove specified, but this lease, insofar as it grants to Lessee the right to prospect, explore and produce oil and gas from stratum or strata other than those employed in such storage shall not be continued in force solely by the storage of oil or liquid as provided in this paragraph.

17. All written notices permitted or required by this lease to be given Lessor and Lessee herein shall be at their respective addresses listed hereinabove, shall be by certified United States mail, and shall identify this lease by date, parties, description and recording date; provided that either party may change such notice address by giving written notice to the other party specifying the new address.

18. In the event any one or more of the provisions contained in this lease shall, for any reason, be held invalid, (legal) or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this lease.

19. This lease may, at Lessee's option, be extended as to all or part of the lands covered hereby for an additional primary term of 5 (five) years commencing on the date that the lease would have expired but for the extension. Lessor may exercise its option by paying or tendering to Lessor an extension payment of \$25.00 per acre for the acreage then covered by the extended lease, said bonus to be paid or tendered to Lessor in the same manner as provided in Paragraph numbered 4 hereof with regard to the payment of shut-in royalties. If Lessee exercises this option, the primary term of this lease shall be considered to be continuous, commencing on the date of the lease and continuing from that date to the end of the extended primary term. Lessee's option shall expire on the first to occur of the following: (a) the termination or expiration of this lease or (b) the second anniversary of the expiration of the primary term stated in Paragraph numbered 2 above.

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Executed as of the day and year first above written.

LESSOR:

Dale L. Boyer

Dale L. Boyer

(Acknowledgment For Individual)

STATE OF Ohio)
COUNTY OF Williams)

On this 1 day of May, 2008, before me personally appeared Dale L. Boyer, a single man of 4594 County Road, P-50, Edgemoor, OH, 43518 known to me to be the person (s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My Commission Expires: 6/23/12



Velvet D. Herricks
Notary Public, State of Ohio
My Commission Expires June 23, 2012

Velvet D. Herricks
Velvet D. Herricks, Notary Public
In and for Williams County, State of Ohio
Acting in Williams County, State of Ohio

(Acknowledgment for Corporation)

STATE OF _____)
COUNTY OF _____)

On this _____ day of _____, before me personally appeared the _____ of the _____ corporation that executed the within instrument, and acknowledge to me that such corporation executed the same.

My Commission Expires: _____

_____, Notary Public
In and for _____ County, State of _____
Acting in _____ County, State of _____

This instrument prepared by: Dennis Thompson of Western Land Services, Inc., 1103 Conrad Industrial Drive, Ludington, Michigan 49431

RETURN RECORDED COPY TO:

WESTERN LAND SERVICES INC., 1103 Conrad Industrial Drive, Ludington, Michigan 49431

Producers "88" Revised

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MR 0241 PRE0703

200800082534 JK
Filed for Record in
WILLIAMS COUNTY, OHIO
PATSY A. HEALER
07-31-2008 at 03:03 p.m.
LEASE 44.06
Book 241 Page 793 -- 706

200800082534
WESTERN LAND SERVICES
LRG ENW

OIL AND GAS LEASE (PAID UP)

Prospect: Nettle Lake

Lease No. WLS 20291

THIS AGREEMENT is made as of the day 25th of March, 2008 by and between Richard J. Borekard, a single man of 4874 County Road P-50, Mansfield, Oh. 43516, hereinafter called Lessor (whether one or more), and WESTERN LAND SERVICES, INC. of 11001 Conrad Industrial Drive, Ludington, Michigan 49431, hereinafter called Lessee.

1. Lessor, for and in consideration of \$10.00 and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, and the covenants and agreements of the Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land described below, including all interests therein Lessor may acquire by operation of law, reversion or otherwise, (herein called "said land"), exclusively, for the purposes of exploring by geophysical and other methods, drilling, mining, operating for and producing oil and/or gas, together with all rights, privileges and easements useful or convenient in connection with the foregoing and in connection with treating, storing, caring for, transporting and removing oil and/or gas of whatever nature or kind, including coal seam methane gas, produced from said land or any other land adjacent thereto, including but not limited to rights to lay pipelines, build roads, drill, establish and utilize wells and facilities for disposition of water, brine or other fluids, and for enhanced production and recovery operations, and for purposes of conducting gas storage operations, and construct tanks, power and communication lines, pump and power stations, and other structures and facilities. Said land is located in the County of Williams, State of Ohio, and is described as follows:

TOWNSHIP 9 SOUTH RANGE 4 WEST NORTHWEST TOWNSHIP, WILLIAMS COUNTY, OHIO
SECTION 26: Known as and being the East one half of the West half of the Southeast Quarter of said section 26, containing forty acres of land according to the US Survey.

Containing 40.00 acres, more or less, and all lands and interests therein contiguous or appurtenant to the land specifically described above that are owned or claimed by Lessor, or to which Lessor has a preference right of acquisition, including but not limited to all lands underlying all alleys, streets, roads or highways and all riparian or submerged lands along and/or underlying any rivers, lakes or other bodies of water. The term "oil" when used in this lease shall mean crude oil and other hydrocarbons, regardless of gravity, produced at the well in liquid form by ordinary production methods, including condensate separated from gas at the well. The term "gas" when used in this lease shall mean hydrocarbons produced in a gaseous state at the well (not including condensate separated from gas at the well), helium, nitrogen, carbon dioxide and other commercial gases.

2. It is agreed that this lease shall remain in force for a primary term of 5 (five) years from the date of this lease, and as long thereafter as operations are conducted upon said land or on lands pooled or unitized therewith with no cessation for more than 120 consecutive days; provided, however, that in no event shall this lease terminate unless production of oil and/or gas from all wells located on said land, or on lands pooled or unitized therewith, has permanently ceased. If operations commenced during the primary term are discontinued less than 120 days before the end of the term, this lease shall not terminate at the end of the primary term if operations are again conducted within 120 days after the discontinuance. Whenever used in this lease the word "operations" shall refer to any of the following and any activities related thereto: preparing location for drilling, drilling, testing, completing, equipping, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil and/or gas, and production of oil and/or gas whether or not in paying quantities.

3. Lessee covenants and agrees to pay the following royalties: (a) To deliver to the credit of the Lessor into bank reservoir or into the pipeline to which Lessee may connect its wells, one-eighth (1/8) of the oil produced and saved from said land. Lessor's interest to bear one-eighth (1/8) of the cost of treating oil to render it marketable pipeline oil, or from time to time, at the option of Lessee, Lessee may sell the oil produced and saved from said land and pay Lessor one-eighth (1/8) of the net amount realized by Lessee, computed at the wellhead, whether the point of sale is on or off said land. (b) To pay Lessor on gas produced from said land (1) when sold by Lessee, whether the point of sale is on or off said land, one-eighth (1/8) of the net amount realized by Lessee computed at the wellhead, or (2) when used by Lessee, for purposes other than those specified in Paragraph numbered 7 of this lease, the net market value, at the wellhead, of one-eighth (1/8) of the gas so used. Prior to payment of royalty, Lessor shall execute a Division Order setting forth his interest in production. Lessee may pay all taxes and fees levied upon the oil and gas produced,

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including, without limitation, severance taxes and privilege and surveillance fees, and deduct a proportionate share of the amount so paid from any monies payable to Lessor hereunder.

4. If any well, capable of producing oil and/or gas, whether or not in paying quantities, located on said land or on lands pooled or unitized with all or part of said land, is at any time shut-in and production therefrom is not sold or used off the premises, nevertheless such shut-in well shall be considered a well producing oil and/or gas and this lease will continue in force while such well is shut-in, notwithstanding expiration of the primary term. In lieu of any implied covenant to market, Lessee expressly agrees to market oil and/or gas produced from Lessee's wells located on said land or on land pooled or unitized therewith, but Lessee does not covenant or agree to reinject or recycle gas, to market such oil and/or gas under terms, conditions or circumstances which in Lessee's judgment are uneconomic or otherwise unsatisfactory or to bear more than Lessee's revenue interest share of the cost and expense incurred to make the production marketable. If all wells on said land, or on lands pooled or unitized with all or part of said land, are shut-in, then within 60 days after expiration of each period of one year in length (annual period) during which all such wells are shut-in, Lessee shall be obligated to pay or tender, as royalty, to Lessor, the sum of \$1.00 multiplied by the number of acres subject to this lease, provided, however that if production from a well or wells located on said land or on lands pooled or unitized therewith is sold or used off the premises 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 other than solely by reason of the shut-in well(s), Lessee shall not be obligated to pay or tender said sum of money for that annual period. This shut-in royalty payment may be made in currency, draft or check, at the option of Lessee, and the depositing of such payment in any post office, with sufficient postage and properly addressed to Lessor, within 60 days expiration of the annual period shall be deemed sufficient payment as herein provided.

5. If Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall give written notice to Lessee specifically describing Lessee's non-compliance. Lessee shall have 120 days from receipt of such notice to commence, and shall thereafter pursue with reasonable diligence, such action as may be necessary or proper to satisfy such obligation of Lessee, if any, with respect to Lessor's notice. Neither the service of said notice nor the doing of any acts by Lessee in response thereto shall be deemed an admission or create a presumption that Lessee has failed to perform all its obligations hereunder. No judicial action may be commenced by Lessor for forfeiture of this lease or for damages until after said 120 day period. Lessee shall be given a reasonable opportunity after a final court determination to prevent forfeiture by discharging its express or implied obligation as established by the court. If this lease is canceled for any cause, it shall, nevertheless remain in force and effect as to (a) sufficient acreage around each well as to which there are operations, so as to constitute a drilling or maximum allowable unit under applicable governmental regulations, such acreage to be designated by Lessee in such shape as then existing spacing rules permit and (b) any part of said land included in a pooled or unitized unit or which there are operations. Lessee shall also have such easements on said land as are necessary or convenient for operations on the acreage so retained.

6. If this lease covers less than the entire undivided interest in the oil and gas in said land (whether Lessor's interest is herein specified or not), then the royalties, shut-in royalties and any extension payment pursuant to Paragraph numbered 19 below shall be paid to Lessor only in the proportion which the interest in oil and gas covered by this lease bears to the entire undivided interest therein.

7. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operations hereunder, except water from the wells of Lessor. When requested by Lessor, Lessee shall bury Lessee's pipelines below plow depth. No well shall be drilled nearer than 200 feet from the house or barn now on said land without written consent of Lessor. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land. 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 and any other downhole equipment and fixtures.

8. Lessee is hereby granted the right to pool or unitize said land or any part of said land, either before or after production is established, with other lands, as to any or all minerals or horizons, to establish units containing not more than approximately 640 acres. Lessee may enlarge the unit to the maximum area permitted herein and may reform said unit to include after-acquired leases within the unit area. Lessee may create, modify, enlarge or reform the unit or units as above provided at any time, and from time to time during the continuance of this lease, either before or after production is obtained. A unit established hereunder shall be effective for all purposes of this lease, whether or not all interests in the lands in the units are effectively pooled or unitized. Lessee may, but shall not be required to, drill more than one well in each unit. Lessee may reduce or terminate such unit or units at any time prior to the discovery of oil or gas on the pooled or unitized lands, or at any time after discovery subsequent to the cessation of production. Lessee may create, modify, enlarge, reform, reduce, or terminate each unit by recording a written declaration, to that effect in the Register of Deeds or recorder's office in the county or counties in which such unit is located. Any operations conducted on any part of the lands pooled or unitized shall be deemed to be on the lands leased herein within the meaning of all provisions of this lease. Production of oil and/or gas from the unit shall be allocated to the lands described herein which are included in the unit in the same proportion as the number of surface acres in the lands described herein which are included in the unit bears to the total number of surface acres in the unit.

9. In addition to the rights to pool or unitize granted to the Lessee in Paragraph numbered 8 above, for the purpose of promoting the development of hydrocarbon production from shallow formations, as hereinafter defined, Lessee is granted the right to pool or unitize the shallow formations in said land, or any part of said land with other lands, to establish a unit or units of any size and shape for the drilling and operation of multiple wells. The right to pool or unitize is a recurring right exercisable either before or after production is established and is irrespective of whether authority similar to this exists with respect to such other land, lease or leases. The unit may consist of any number of tracts or parcels of land. The exercise of this right shall be effective only if the required well density (at least one straight hole well drilled into the pooled or unitized shallow formation for each 320 acres of the unit or one lateral well drilled in the pooled or unitized shallow formation for each 640 acres of the unit) is attained no later than five (5) years after recording of the written declaration of the unit. In the event lateral wells are drilled, the effective well density requirement shall be one well per 640 acres. As used herein, the term "shallow formations" shall mean formations between the surface of the earth and a depth of 2,500 feet. All provisions of Paragraph numbered 8, including those regarding Lessee's identification of a unit, the effect of operations conducted thereon and the allocation of production from wells thereon, shall apply in the same manner to a unit formed pursuant to this paragraph for production from shallow formations, except to the extent inconsistent with this paragraph. Lessee may amend, expand, reduce, reform or otherwise modify the unit by filing of record a written declaration to that effect, provided that the required well density is maintained, or is attained by the drilling of an additional well or wells within three (3) years after each such expansion. Lessor specifically acknowledges and agrees that the formation of units under this paragraph is intended to allow development of hydrocarbons in shallow formations which might otherwise not be economic, that units may be created, modified, enlarged, reformed, reduced or terminated to permit such economic development, that the validity of

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Lessee's actions in creating, modifying, enlarging, reforming, reducing or terminating such units shall not be dependent upon the existence of any geological justification, and that Lessee's right to create, maintain, modify, enlarge, reform, reduce or terminate any such units shall only be limited by the required well density provisions set forth above.

10. This lease is subject to laws and to rules, regulations and orders of any governmental agency having jurisdiction, from time to time in effect, permitting to well spacing, pooling, unitization, drilling or production units, or use of material and equipment.

11. If, after the date hereof, the leased premises shall be conveyed in severally or in separate tracts, the premises shall, nevertheless, be developed and operated as one lease, except that royalties as to any producing well shall be payable to the owner or owners of only those tracts located within the drilling unit designated by the state regulatory agency for such well and apportioned among said tracts on a surface acreage basis; provided, however, if a portion of the leased premises is pooled or unitized with other lands for the purpose of operating the pooled unit as one lease, this paragraph shall be inoperative as to the portion so pooled or unitized.

12. If Lessee is prevented from, or delayed in commencing, continuing, or resuming operations, or complying with its express or implied obligations hereunder by circumstances not reasonably within Lessee's control, this lease shall not terminate and Lessee shall not be liable for damages so long as said circumstances continue (the "period of suspension"). These circumstances include, but are not limited to the following: conflict with federal, state or local laws, rules, regulations and executive orders; acts of God, strikes, lockouts, riots, wars; improper refusal or undue delay by any governmental agency in issuing a necessary approval, license or permit applied for by Lessee; equipment failures; and inability to obtain materials in the open market or to transport said materials. If the period of suspension commences more than 120 days prior to the end of the primary term of this lease, then that period of suspension shall be added to the primary term. If the period of suspension commences less than 120 days prior to the end of the primary term or at any time after the primary term, then this lease shall not terminate if Lessee shall commence or resume operations within 120 days after the end of the period of suspension.

13. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants and provisions of this lease shall extend to such party's heirs, devisees, legal representatives, successors or assigns. Notwithstanding any other actual or constructive knowledge of Lessee, no change in the ownership of land or assignment of royalties or other monies, or any part thereof, shall be binding on Lessee until 45 days after Lessee has received, by certified mail, written notice of such change and the originals or certified copies of those instruments that have been properly filed for record and that shall be necessary in the opinion of Lessee to establish the validity of such change of ownership or division of interest. No change or division in the ownership of said land, royalties or other monies, or any part thereof, however accomplished, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, rights and obligations relating to the location and drilling of wells and the measurement of production. Upon assignment by Lessee, its successors or assigns, the assignor shall be released from, and the assignee shall assume, the responsibility to fulfill the conditions and to perform the covenants of this lease, express or implied, with regard to the interest assigned. Breach of any covenant or failure to fulfill any condition by an owner of any part of the leasehold interest created by this lease shall not defeat or affect the rights of the owner(s) of any other part.

14. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee may at any time pay all or part of any land contract, mortgage, taxes, or other liens or charges with respect to said land, either before or after maturity and be subrogated to the rights of the holder thereof, and that Lessee shall be entitled to reimbursement out of any royalty or other monies payable to Lessor hereunder. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

15. Lessee may at any time surrender this lease as to all or any part of said land, or as to any depths or formations therein, by delivering or mailing a release to Lessor if the lease is not recorded or by placing a release of record in the proper county if the lease is recorded. If this lease is surrendered only as to part of said land, any shut-in royalties which may thereafter be payable hereunder shall be reduced proportionately.

16. Lessee shall have the exclusive right to use any stratum or strata underlying the premises for the storage of gas or liquids and may, for such purpose, reopen and restore to operation any and all abandoned wells on the premises and may drill new wells thereon for the purpose of injecting and storing gas or liquids in such stratum or strata and withdrawing such gas or liquids therefrom. If Lessee intends to use the premises for such purpose or determines that it is so using the premises, Lessee may deliver to Lessor or have recorded in the county or counties in which this lease is recorded a declaration that the premises are being used, or from a specified date will be used for gas or liquid storage, and thereafter Lessee shall have the exclusive right to use the premises for such gas or liquid storage until such time as Lessee may deliver to Lessor or have recorded in such county or counties a surrender of the right granted to Lessee by this paragraph or until Lessee shall intentionally abandon the right to use the premises for such storage. During the period or periods that Lessee shall utilize the premises for the storage of gas or liquids, the royalties herein provided to be paid to Lessor shall accrue and become payable only on such gas and liquids as shall have been taken from such premises by Lessee over and above the amount thereof which Lessee theretofore shall have stored in such stratum or strata. For and during the period or periods that Lessee uses said premises for such storage, Lessee shall pay to Lessor a minimum royalty of Ten Dollars (\$10.00) per acre per year on the number of acres covered by this lease, such payment to be made not later than sixty (60) days from and after the end of each twelve month period during which the premises are utilized for storage. Lessee is expressly granted the right to use so much of the surface of the premises as is reasonably necessary in the exercise of the rights granted to Lessee by this paragraph. The rights granted to Lessee by this paragraph shall continue in force for the period of time hereinabove specified, but this lease, insofar as it grants to Lessee the right to prospect, explore and produce oil and gas from stratum or strata other than those employed in such storage shall not be construed in force solely by the storage of oil or liquid as provided in this paragraph.

17. All written notices permitted or required by this lease to be given Lessor and Lessee herein shall be at their respective addresses listed hereinabove, shall be by certified United States mail, and shall identify this lease by date, parties, description and recording data; provided that either party may change such notice address by giving written notice to the other party specifying the new address.

18. In the event any one or more of the provisions contained in this lease shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this lease.

19. This lease may, at Lessee's option, be extended as to all or part of the lands covered hereby for an additional primary term of 5 (five) years commencing on the date that the lease would have expired but for the extension. Lessee may exercise its option by paying or tendering to Lessor an extension payment of \$25.00 per acre for the minerals then covered by the extended lease, said bonus to be paid or tendered to Lessor in the same manner as provided in Paragraph numbered 4 hereof with regard to the payment of shut-in royalties. If Lessee exercises this option, the primary term of this lease shall be considered to be continuous, commencing on the date of the lease and continuing from that date to the end of the extended primary term. Lessee's option shall expire on the first to occur of the following: (a) the termination or expiration of this lease or (b) the second anniversary of the expiration of the primary term stated in Paragraph numbered 2 above.

PRELIMINARY TITLE

0241 MAR 07 05

Executed as of the day and year first above written.

LESSOR: Richard J. Borchardt

Richard J. Borchardt
Richard J. Borchardt

(Acknowledgment For Individual)

STATE OF Ohio

COUNTY OF WILLIAMS ^{msl}

On this 25th day of MARCH, 2008, before me personally appeared Richard J. Borchardt, a single man of 5814 County Road P-50, Montpelier, Oh. 43518 known to me to be the person (s) described in and who executed the foregoing instrument, and he acknowledged to me that he (she, they) executed the same.

My Commission Expires: 10/04/12

SEAL

Ryan G. Skiles
RYAN G. SKILES, Notary Public
In and for WILLIAMS County, State of OHIO
Acting in WILLIAMS County, State of OHIO

(Acknowledgement for Corporation)

STATE OF

^{msl}

COUNTY OF

On this _____ day of _____, before me personally appeared the _____ of the _____ corporation that executed the within instrument, and acknowledge to me that such corporation executed the same.

My Commission Expires: _____

_____, Notary Public
In and for _____ County, State of _____
Acting in _____ County, State of _____

This instrument prepared by: Ryan Dykstra of Western Land Services, Inc., 1100 Conrad Industrial Drive, Ludington, Michigan 49431

RETURN RECORDED COPY TO:

WESTERN LAND SERVICES INC., 1100 Conrad Industrial Drive, Ludington, Michigan 49431

Producers "88" Revised

PHOTOS

PHOTOS



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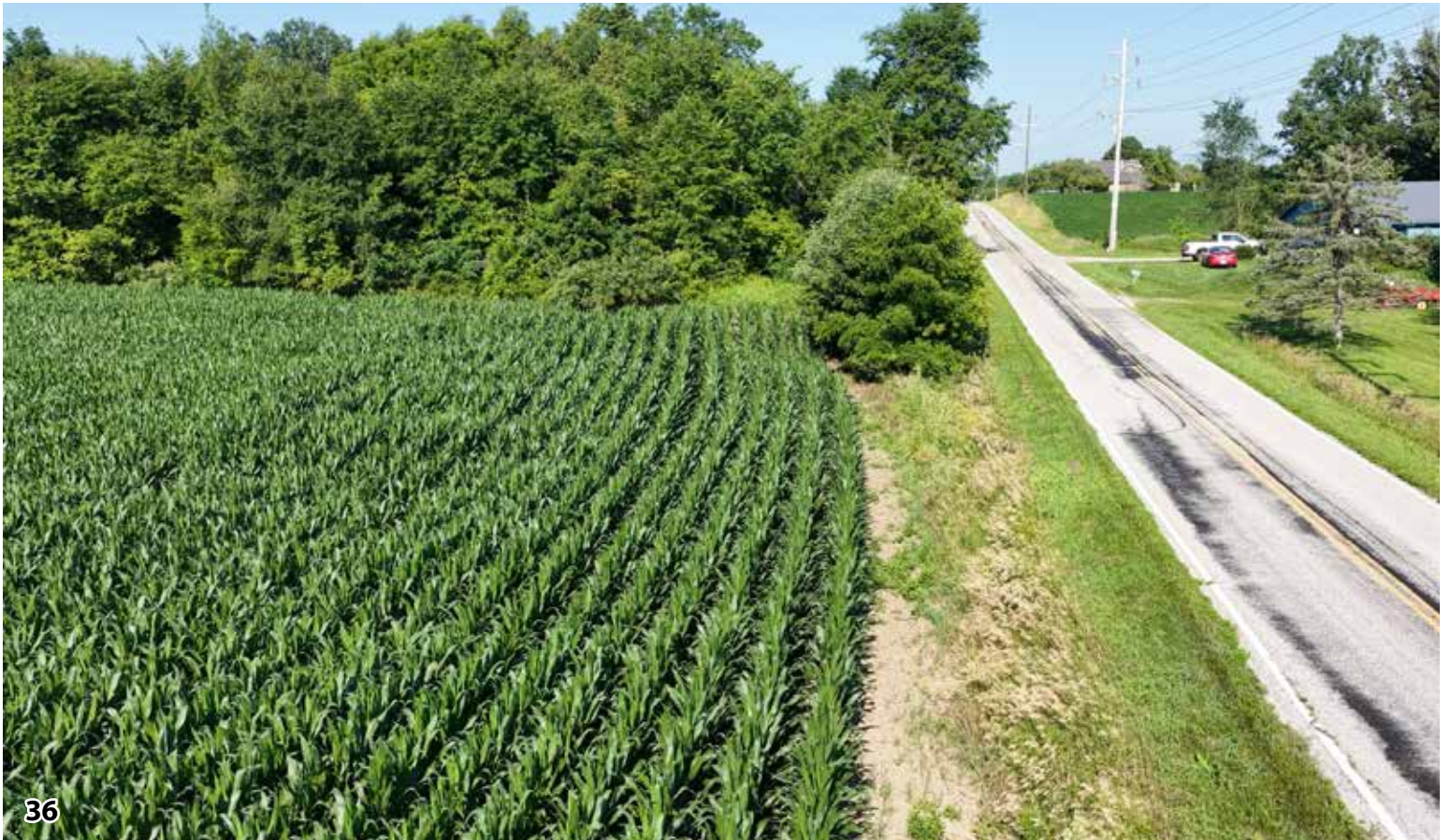
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