



April 1, 2021

City of Shreveport
c/o Malcolm F. Stadlander
Property Management Administrator
505 Travis St., Ste. 300
Shreveport, LA 71105

**RE: Surface and Subsurface Servitude and Easement
Simmons 5H No. 1-Alt., No. 2-Alt. & No. 3-Alt.
Section 30 (16N-12W)
Caddo Parish, Louisiana**

Dear Mr. Stadlander:

Please find set forth below a damage proposal from Aethon Energy Operating, LLC (“Aethon”) for the use of property owned by the City of Shreveport in the above-captioned matter.

Aethon is offering \$7,000.00 per acre for damages calculated as follows:

ACREAGE AFFECTED	PRICE PER ACRE	TOTAL CONSIDERATION
6.457	\$7,000.00	\$45,199

If the city is agreeable with the above terms, please review and have executed the attached documents:

- Surface and Subsurface Servitude and Easement
- IRS Form W-9

Aethon appreciates your continued support and cooperation in our efforts to further develop the Elm Grove Field.

Feel free to call or email should you have any questions or need additional information

Best Regards,

James R. Madison, Jr.
Independent Petroleum Landman
Aethon Energy Operating, LLC
318.573.6446

SURFACE AND SUBSURFACE SERVITUDE AND EASEMENT

STATE OF LOUISIANA §
 § **KNOW ALL MEN BY THESE PRESENTS:**
PARISH OF CADDO §

THAT, this Surface and Subsurface Servitude and Easement (“Easement”) is made and entered into by and between **The City of Shreveport**, a municipal corporation domiciled in Caddo Parish, Louisiana, represented herein by its Mayor, Adrian D. Perkins, whose mailing address is 505 Travis St., Ste. 300, Shreveport, LA 71105 (hereinafter referred to as “Grantor”) and **Aethon Energy Operating LLC**, a limited liability company represented herein by its Vice President of Land, Chelsea Budowsky, having a mailing address of 12377 Merit Dr., Ste. 1200, Dallas, TX 75251 (hereinafter referred to as “Grantee”).

WITNESSETH:

WHEREAS, Grantee desires to obtain from Grantor a subsurface servitude and easement covering that certain tract or parcel of land containing 113.8 acres, more or less, situated in Sections 32 and 33, Township 16 North, Range 12 West and Section 5, Township 15 North, Range 12 West in Caddo Parish, Louisiana and being the same property acquired by The City of Shreveport in Cash Deed dated March 28, 1990 and recorded in Conveyance Book 2662, Page 542 under Registry No. 1262528 in the records of Caddo Parish, Louisiana (the “Subsurface Easement Property”) to drill and produce multiple wellbores directionally and/or horizontally through the subsurface of the Subsurface Easement Property. A surface servitude and easement (the “Surface Easement Property”) shall cover **6.457 acres**, more or less, as depicted on Exhibit “A” but it is understood and agreed that the exact location of the Surface Easement Property shall be determined by the construction of the drill site.

NOW, THEREFORE, Grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby GRANT, TRANSFER and CONVEY unto Grantee a right of way and easement to locate, drill and operate on the surface of the Surface Easement Property and through the subsurface of the Subsurface Easement Property for the herein stated purpose.

TO HAVE AND TO HOLD, the above described Easement subject to the following terms, conditions and provisions:

I.

This Easement is executed by Grantor for the purpose of creating in Grantee the right to use the surface of the Surface Easement Property and the subsurface of the Subsurface Easement Property for all purposes incident to the directional and/or horizontal drilling, operating, production, possession, storage and transportation of oil, gas and associated hydrocarbons on the surface of the Surface Easement Property and through the subsurface of the Subsurface Easement Property.

II.

This Easement shall include all rights of ingress and egress necessary to access the Surface Easement Property in order to conduct operations on the Surface Easement Property and through the Subsurface Easement Property. Grantee shall have the right to use an existing access road shown on Exhibit “B” in connection with the use of the Surface Easement Property and the Subsurface Easement Property.

III.

This Easement shall terminate upon the cessation of its use by Grantee for a period of two (2) consecutive years. Whenever used in this Easement, the word "operations" shall mean operations on the surface of the Surface Easement Property or through the subsurface of the Subsurface Easement Property, and on any well in which the well bore, pipe, or casing passes through the subsurface of the Subsurface Easement Property for any of the following purposes: drilling, testing, completing, reworking, re-completing, deepening, plugging back, producing, or repairing of a well in search for, or in an endeavor to obtain production of oil, gas and associated hydrocarbons so long thereafter as oil, gas and associated minerals are being produced.

IV.

This Easement allows for the placement of production or transportation facilities (including but not limited to pipelines, tanks, compressors, separators, and dehydration equipment) on the Surface Easement Property. This Easement shall include the right to lay temporary water lines across the surface of the Subsurface Easement Property to and from the Surface Easement Property

V.

Grantor agrees that Grantee shall have the right and privilege at any time to plug and abandon any well or wells located on the Surface Easement Property, as well as any well or wells in which the well bore, pipe, or casing passes under the subsurface of the Subsurface Easement Property and to remove any and all improvements of whatsoever nature or character owned or placed by Grantee on the Surface Easement Property or through the Subsurface Easement Property.

VI.

Grantee agrees to indemnify and hold Grantor harmless from any claim, demand, or cause of action arising out of Grantee’s negligent operations on the Surface Easement Property or under the Subsurface Easement Property

VII.

All notices necessary to be given under the terms of this Easement shall be given by letters addressed as follows:

GRANTOR: The City of Shreveport
c/o Malcolm F. Stadtlander
Property Management Administrator
505 Travis St., Ste. 300
Shreveport, LA 71105

GRANTEE: Aethon Energy Operating LLC
12377 Merit Dr., Ste. 1200
Dallas, TX 75251
Attn: Surface Land Department

or at such other address as either party hereto may designate by written notice to the other party. All notices hereunder shall be deemed to have been given when properly addressed and deposited in the United States mail with adequate postage paid, by certified mail, return receipt requested.

VIII.

Notwithstanding anything herein above to the contrary, nothing contained herein shall be construed to diminish any rights granted by any oil and gas lease in effect, covering said tract. The provisions of the Easement shall extend to and be binding upon the parties hereto and their successors and assigns. This Easement may be executed in several counterparts, and each such counterpart shall be deemed an original for all purposes, with the same effect as if all parties had executed one instrument. Executed signature pages from different counterpart originals of this Easement may be combined to form a single original instrument for recording and evidentiary purposes.

IN WITNESS WHEREOF, this Easement has been executed and will become effective on this the _____ day of _____, 2021 ("Effective Date").

WITNESSES:

GRANTOR:

THE CITY OF SHREVEPORT

Signed: _____
Print Name: _____

By: _____
Name: Adrian D. Perkins
Title: Mayor

Signed: _____
Print Name: _____

DIRECT ACKNOWLEDGMENT

STATE OF LOUISIANA §
 §
PARISH OF CADDO §

KNOW ALL MEN BY THESE PRESENTS:

On this ____ day of _____, 2021, before me the undersigned authority, personally came and appeared Adrian D. Perkins, to me known to be the person described in and who executed the foregoing Surface and Subsurface Servitude and Easement and acknowledged that he executed the same as Mayor for The City of Shreveport.

NOTARY PUBLIC in and for the State of Louisiana
Name of Notary: Malcolm F. Stadtlander
Notary ID No. 5719
My Commission Expires with Life.

IN WITNESS WHEREOF, this instrument was signed on the dates shown in the acknowledgment(s) but shall be deemed effective as the date first above written.

WITNESSES:

GRANTEE:

AETHON ENERGY OPERATING LLC

Signed: _____
Print Name: _____

By: Chelsea Budowsky
Title: Vice President of Land

Signed: _____
Print Name: _____

DIRECT ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

KNOW ALL MEN BY THESE PRESENTS:

On this ____ day of _____, 2021, before me the undersigned authority, personally came and appeared Chelsea Budowsky, to me known to be the person described in and who executed the foregoing Surface and Subsurface Servitude and Easement and acknowledged that she executed the same as Vice President of Land for Aethon Energy Operating LLC.

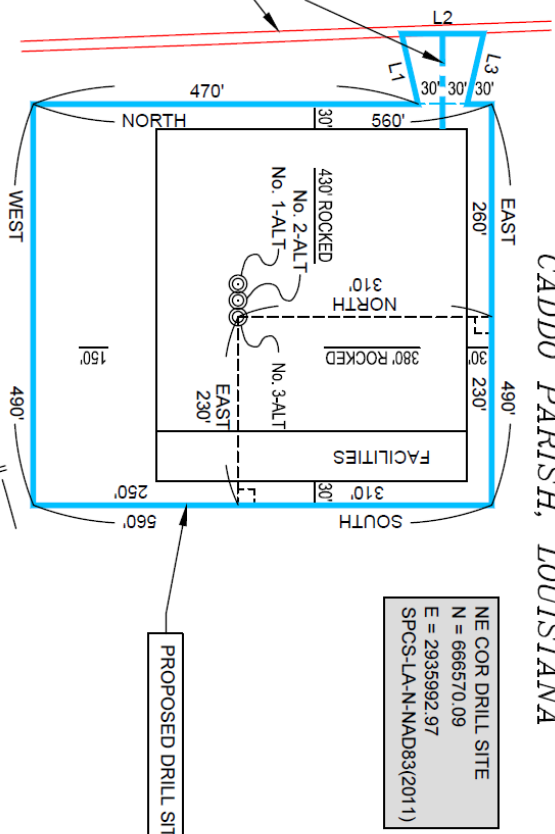
NOTARY PUBLIC in and for the State of Texas
Name of Notary: _____
Commission ID No: _____
My Commission Expires: _____



TOWNSHIPS 15 & 16 NORTH, RANGE 12 WEST,
CADDO PARISH, LOUISIANA

PROPOSED ACCESS ROAD
CITY OF SHREVEPORT
116.13 FEET - 7.04 RODS
(INCLUDED IN DRILL SITE AREA)

CITY OF SHREVEPORT
EXISTING ACCESS ROAD



NE COR DRILL SITE
N = 666570.09
E = 2935992.97
SPCS-LA-N-NAD83(2011)

PROPOSED DRILL SITE
CITY OF SHREVEPORT
6.457 ACRES
ROCK PAD - 3.751 ACRES

LINE	BEARING	DISTANCE
L1	S 76°55'36" W	88.42'
L2	NORTH	100.00'
L3	S 76°55'36" E	88.42'

HA RA SUJJ, Simmons 5H No. 1-ALT
X = 1,654,937.06
Y = 605,552.45
LAT. 32°19'35.47" N
LONG. 93°37'01.51" W
NAD 27 - LA North Zone
CALLS - 643 FSUL 1831 FEUL
Ground Elev.: 151.2' NAVD88

HA RA SUJJ, Simmons 5H No. 2-ALT
X = 1,654,957.06
Y = 605,552.45
LAT. 32°19'35.47" N
LONG. 93°37'01.28" W
NAD 27 - LA North Zone
CALLS - 643 FSUL 1811 FEUL
Ground Elev.: 151.2' NAVD88

HA RA SUJJ, Simmons 5H No. 3-ALT
X = 1,654,977.06
Y = 605,552.45
LAT. 32°19'35.47" N
LONG. 93°37'01.05" W
NAD 27 - LA North Zone
CALLS - 643 FSUL 179T FEUL
Ground Elev.: 151.2' NAVD88



I hereby certify that this plat accurately reflects this drill site as staked on the ground
Benjamin C. Winn 5/04/2021

Benjamin C. Winn, P.E., P.L.S. (LA Reg. No. 4778)
Winn Surveying & Engineering, LLC.
Springhill, LA 71075 (318) 423-5325

Date:

Bearings are based on Grid North
(SPCS-LA-N-NAD83-2011)

0' 200' 400'

SCALE: 1"=200'

EXHIBIT "A"

PLAT SHOWING:
DRILL SITE FOR WELL LOCATIONS
AETHON ENERGY OPERATING LLC
HA RA SUJJ, Simmons 5H (1 2 3) Wells
Located in the SECTION 30, T16N-R12W,
CADDO PARISH, LOUISIANA
March 29, 2021

NOTE: This plat does not represent a Property Boundary Survey, Route Survey or Utilization Survey and therefore does not comply with the applicable standards of practice stipulated in LAC Title 46:IXI, Chapter 29, Standards of Practice for Boundary Surveys as currently adopted by the Louisiana Professional Engineering and Land Surveying Board.

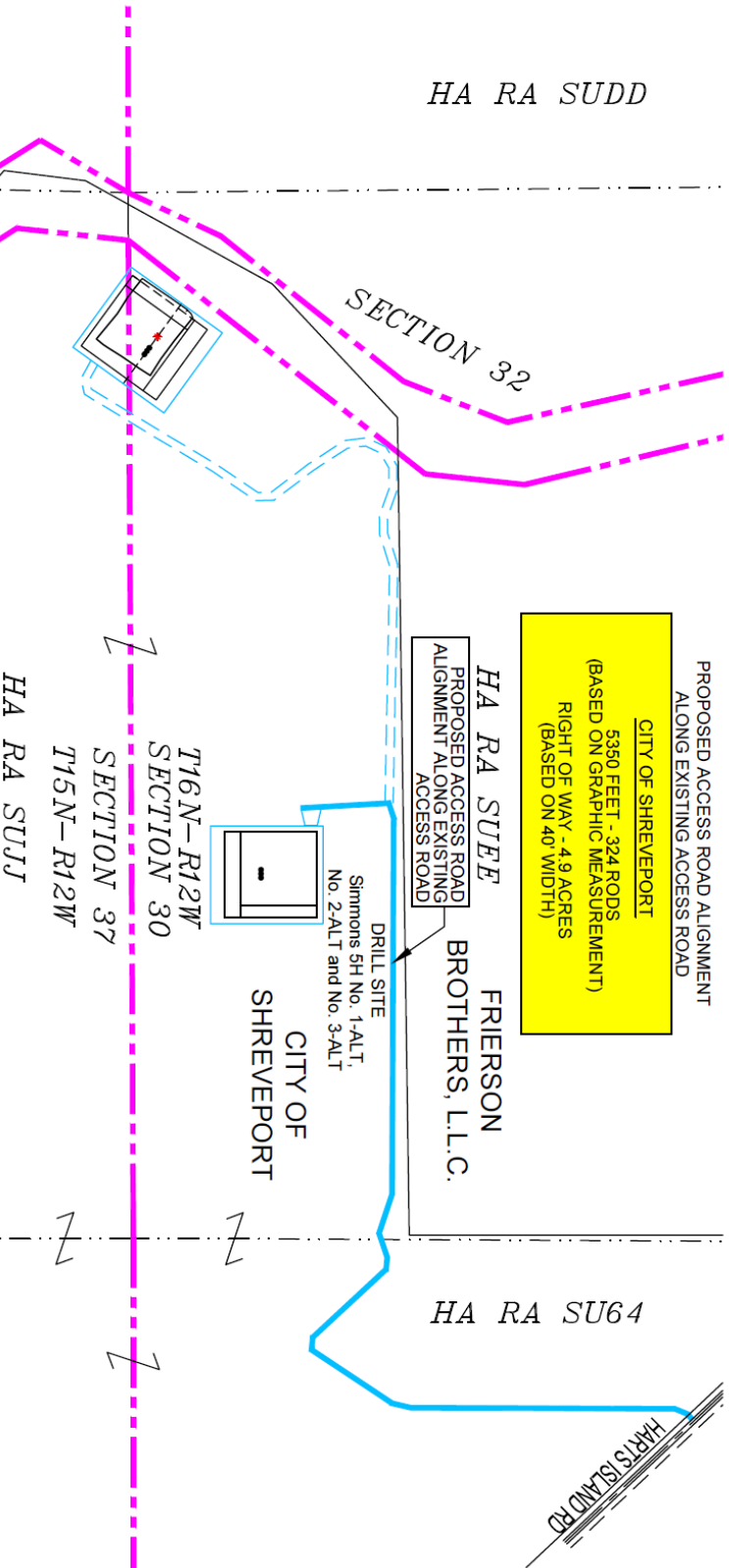
File Name: S:\PROJ20\20822\20822B.dwg

Rev. 2 - May 04, 2021 Rev. 0 - March 29, 2021
Rev. 1 - April 01, 2021

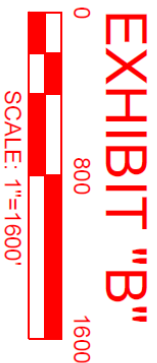


TOWNSHIP 16 NORTH, RANGE 12 WEST,
CADDO PARISH, LOUISIANA

NOTE: This plat does not represent a Property Boundary Survey, Route Survey or Unitization Survey and therefore does not comply with the applicable standards of practice stipulated in LAAC Title 46:XXI, Chapter 29, Standards of Practice for Boundary Surveys as currently adopted by the Louisiana Professional Engineering and Land Surveying Board.



NOTE: THE GEOGRAPHIC POSITIONS OF THE ALIGNMENT AND PROPERTY LINES SHOWN HEREON ARE BASED ON AVAILABLE MAPPING DATA, AND NO GROUND SURVEY WAS PERFORMED.



DRAWN BY:	BCW
DATE:	3/29/2021
DWG. NO.:	20822C
DWG.:	AR ALIGNMENT

PROJECT:	AETHON ENERGY OPERATING, LLC
PROPOSED 40' WIDE ACCESS ROAD ALIGNMENT	
ALONG EXISTING ACCESS ROAD	
SITUATED IN	
SECTION 30, T16N-R12W,	
CADDO PARISH, LOUISIANA	

SHT. NAME:	MAP EXHIBIT	SHT. NO.:	AR
Winn Surveying and Engineering, LLC			
310 Butler St.			
Springhill, LA 71075			
(318) 423-6325			

File Name: S:\PROJ20\20822\20822C-1.DWG
Rev. 2 - March 30, 2021
Rev. 3 - April 04, 2021