



Connolly, Hillyer & Welch Title Services, Inc.

**TAX & LEGAL REPORT
Schedule A**

Effective Date: March 15, 2017

Property Address: 638 N. 4th St
Dennison, Ohio 44622

Vested In: David Ralph Hemperly by virtue of instrument recorded May 22, 2006 at Volume 1224, Page 2210-2211 Official Records of Tuscarawas County, Ohio.

Parcel No.(s): 42-00218.000

Legal Description(s): 1 7 4 PR 4 5.3929A

Schedule B

Taxes:

Parcel No. 42-00218.000;

Description 1 7 4 PR 4 5.3929A;

Assessed Valuations: Land \$8,540.00 Improvements \$13,350.00 Total \$21,890.00;

Appraised Valuations: Land \$24,410.00 Improvements \$38,130.00 Total \$62,540.00;

Taxes and Special Assessments are \$279.60 per half with a Homestead Exemption of \$183.30 per half;

Taxes and Special Assessments for tax year 2015 are paid;

Taxes and Special Assessments for the first half of tax year 2016 are paid;

Taxes and Special Assessments for the second half of tax year 2016 are payable and due July 21, 2017;

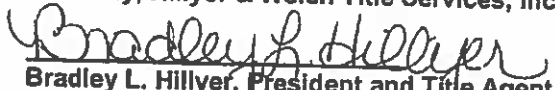
Taxes and Special Assessments for tax year 2017 and thereafter are lien on said premises but are not yet due and available for payment;

No liability is assumed for tax increases occasioned by retroactive revaluation change in land usage, or loss of any homestead exemption statues for insured premises.

Map Office Approval:

That Tuscarawas County Map/G.I.S. Office requires all description and transfers be submitted for review.

Connolly, Hillyer & Welch Title Services, Inc.


Bradley L. Hillyer, President and Title Agent

This information, including any lot dimensions shown, is derived solely from public records. While the information is usually reliable, it cannot be guaranteed without a full title examination and a current survey to verify its accuracy.

"Complete Real Estate Title and Escrow Services"

109 Front Ave SE • New Philadelphia, Ohio 44663 • (330) 602-1800 • Fax (330) 602-1808
201 N Main ST • P.O. Box 272 • Uhrichsville, Ohio 44663 • (740) 922-4161 • Fax (740) 922-1473
139 E Main ST • P.O. Box 71 • Newcomerstown, Ohio 43832 • (740) 498-5196 • Fax (740) 498-5197

GENERAL WARRANTY DEED, Statutory Form

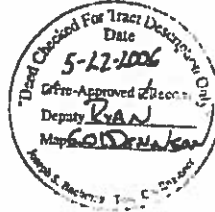
200600006905
 Filed for Record in
 TUSCARAWAS COUNTY, OH
 LBRI L SMITH
 05-22-2006 At 02:22 p.m.
 WARRANTY D 28.00
 OR Volume 1224 Page 2210 - 2211

TRANSFERRED

TRANSFER FEE \$50
 CONVEYANCE EXAMINED
 SEC. 319.202 & C. COMPLIED WITH

MAY 22 2006

AMT 279.60
 MATT JUDY
 Tuscarawas County Auditor

**GENERAL WARRANTY DEED**

(See Section 5302.05 and 5302.06 Ohio Revised Code.)

Curtis D. Abbuhl AKA Curtis D. Abbuhl, Sr., married, grantor of Tuscarawas County, Ohio for valuable consideration paid, grant(s), with general warranty covenants, to David Ralph Hemperly, grantee, whose tax mailing address is 638 Fourth ST N, Dennison, OH 44621 the following REAL PROPERTY:

Situated in the Village of Dennison, County of Tuscarawas and the State of Ohio.

Being part of Lot 4 of the Spencer Tract and being all of the residue of a 5.87 acre tract as conveyed to Curtis D. Abbuhl by a deed recorded in Volume 759, Page 461 of the Tuscarawas County Deed Records, Auditor's Parcel No. 42-00218.000 and being more fully described as follows:

Beginning at an Iron pin (set) at the northeast corner of a 0.33 acre tract as conveyed to Sharon L. Golec (O.R. 1168, Page 957) and on the south line of High Street, said pin being located S 04° 10' 19" W, 40.03 feet and S 88° 08' 41" E, 112.58 feet from a 3/4" iron pipe (found) at the southwest corner of Lot 1771 of Alex Sales' 1st Addition as recorded in Plat Book 8, Page 10, said lot now known as Lot 1846.

Thence from said beginning and with the south line of said High Street and a north line of the aforementioned 5.87 acre tract, S 88° 08' 41" E, 57.52 feet to an iron pin (set) at the intersection of the south line of said High Street and the east line of Fourth Street and a corner of said 5.87 acre tract;

Thence with the east line of said Fourth Street and a west line of said 5.87 acre tract, N 04° 00' 19" E, 160.20 feet to an iron pin (set) on the east line of said Fourth Street, the northwest corner of said 5.87 acre tract and the southwest corner of a 5.02 acre tract as conveyed to The Most Reverend Edward G. Hettinger, Auxiliary Bishop of the Diocese of Columbus (Volume 590, Page 560);

Thence with the north line of said 5.87 acre tract and the south line of said 5.02 acre tract, S 87° 10' 41" E, 357.40 feet to an iron pin (set) at the northeast corner of said 5.87 acre tract and on the south line of said 5.02 acre tract;

Thence with the east line of said 5.87 acre tract, S 20° 44' 08" W, 753.50 feet to an iron bolt (found) on the north line of Eckfeld's & Johnson's First Addition as recorded in Plat Book 1, Page 20 of the Tuscarawas County Plat Records;

Thence with the north line of said addition, N 87° 10' 24" W, 247.64 feet to an iron pin (set) on the east line of a 0.063 acre tract as conveyed to Braid J. Weaver (O.R. 1080, Page 1090);

Thence with the east line of said 0.063 acre tract, the east line of a 0.112 acre tract as conveyed to Braid J. Weaver (O.R. 1080, Page 1090), the east line of a 0.112 acre tract as conveyed to Premiere Mobile Home, Inc. (O.R. 1053, Page 2415) and the east line of a 0.175 acre tract as conveyed to Premiere Mobile Home, Inc. (O.R. 1053, Page 2415), N 04° 15' 00" E, 279.45 feet to a 1" iron pin (found) at the northeast corner of said 0.175 acre tract and passing on line a 3/4" iron pin (found) at 9.92 feet, a 3/4" iron pin (found) at 82.81 feet and a 1 1/2" iron pin (found) at 158.99 feet;

Thence with the north line of said 0.175 acre tract, N 87° 31' 06" W, 29.25 feet to a 5/8" iron pin (found) stamped "WARD" on the north line of said 0.175 acre tract, at the southeast corner of a 0.135 acre tract as conveyed to Premiere Mobile Home, Inc. (O.R. 1094, Page 1887) and on the east line of Outlot 1 of the McKee's Second Addition as recorded in Plat Book 1, Page 28 of the Tuscarawas County Plat Records, said outlot now known as Outlot 3;

Execution in accordance with Chapter 5301 of the Revised Code

GENERAL WARRANTY DEED, Statutory Form

thence with the east line of said 0.135 acre tract, the east line of said 0.33 acre tract and the east line of said Outlot 3, N 19° 36' 40" E, 288.89 feet to the Place of Beginning, containing 5.3929 acres (234,917 square feet), more or less, but subject to all legal highways, easements, reservations and restrictions of record.

Bearings are oriented to the east line of a 0.175 acre tract as recorded in O.R. 1053, Page 2415 of the Tuscarawas County Official Records.

All iron pins set are 30" x 3/4" round steel bars with plastic caps stamped "D A Bower 5753".

Description prepared from a field survey by D.A. Bower, Registered Surveyor No. 5753 in April 2006.

PPN: 42-00218.000

AKA 638 Fourth ST N, Dennison, OH 44821

Prior Instrument Reference: Volume 589, Page 783 and Volume 759, Page 481 Deed Records of Tuscarawas County, Ohio.

Subject to all encumbrances, reservations and exceptions, if any.

Taxes shall be prorated to date of closing

Mary Lou Hines, wife of grantor, releases all rights of dower therein.

EXECUTED this 19th day of May, 2006.

Curtis D. Abbuhl
Curtis D. Abbuhl
AKA Curtis D. Abbuhl, Sr.

Mary Lou Hines
Mary Lou Hines

State of Ohio, County of Tuscarawas) SS:

Before me, as Notary Public in and for said county and State, personally appeared the above named Curtis D. Abbuhl AKA Curtis D. Abbuhl, Sr. and Mary Lou Hines, husband and wife, who acknowledged that they did sign the foregoing instrument and the same is their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at New Philadelphia this 19th day of May, 2006.

Amy C. Bullock
Notary Public
My Commission Expires _____

This instrument was prepared by: Brad L. Hillyer, Esq., Connolly, Hillyer & Welch, Inc.
201 N Main ST, P.O. Box 272, Uhrichsville, OH 44683 (740)922-4181



AMY C. BULLOCK
Notary Public, State of Ohio
My Commission Expires February 2, 2009

200600006905
CHW
PIKUPJ

ZBL6
 PARCEL 42-00218-000
 DISTRICT 42-MILL TWP-DEHNSON CORP
 MAP NUMBER 6.01
 SECTION 8 PLAT
 ROUTING NUMBER 1.000
 PROPERTY CLASS 511-1-FAMILY UNPLATTED 0-09.99
 OWNER HEMPERLY DAVID RALPH
 TUSCARAWAS COUNTY - LARRY LIMBERG
 COMMENTS/MEMO 42-00218-000
 BOR:1999 TAX YR - DED 230 5-1-00
 CARD 1 OF 1

TOPOGRAPHY	UTILITIES	STREET/ROAD	NEIGHBORHOOD	ASSESSMENT	VALUATIONS	PERMITS	DATE	CD	DESCRIPTION	%	AMOUNT
LEVEL	WATER	PAVED	IMPROVING	MARKET	2013						
ROLLING	SEWER	UNPAVED	STATIC	LAND	23,100						
LOW	ELECTRIC	PROPOSED	DECLINING	IMPR	39,870						
HIGH	GAS	SIDEWALK	BLIGHTED	TOTAL	62,970						
	WELL	ALLEY		ASSESSED	8,090						
				LAND	8,540						
				IMPR	13,350						
				TOTAL	22,040						

LAND USE	SOIL ID/ACTUAL FR	ACREAGE/EFFEC FR	SO. FOOT/DEPTH	BASE RATE	FCTR	BASE VALUE	ADJUSTED REASON	ADJUST FACTR	BOR	MARKET VALUE
HS		1.000		17,500		17,500				17,500
RS		4.390		5,250		23,040	03	30		6,910
TOTAL		5.390								24,410

OCCUPANCY	# OF UNITS	STORY HEIGHT	ATTIC	BASEMENT	CRAML/HB	PLUMBING	BATHS	OTHER FIXTURES	NO PLUMBING	ROOMS	ACCOMMODATIONS	BEDROOMS	FAMILY ROOMS	DINING ROOMS	REC ROOM TYPE	FIREPLACE 5TK	FIREPLACE OPN	LINEAR BR HGT	LINEAR BR LGT	HEAT/AC	NO HEATING	AIR COND	
01-SINGLE FAMI	1	1								3	3	3	3	3	3	3	3	3	3	3	3	3	3

LEVEL	BASE AREA	FIN AREA	ORIGINS/REASON	VALUE
1	1,040	1,040	4-FULL	76,933
2				
3				
4				

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REPRODUCTION COST	YEAR BUILT	YEAR RENOV	COND	NML DEP	YR	REPRODUCTION COST	GRD	RATE
82,862	1928	1983	F	60	5	18,128	C-3	16.86
82,862	1982	1982	A	60	5		C+6	
8,476								
91,338								
-9,114								
82,204								

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DESCRIPTION OF A 5.3929 ACRE TRACT

Situated in the Village of Dennison, County of Tuscarawas and the State of Ohio.

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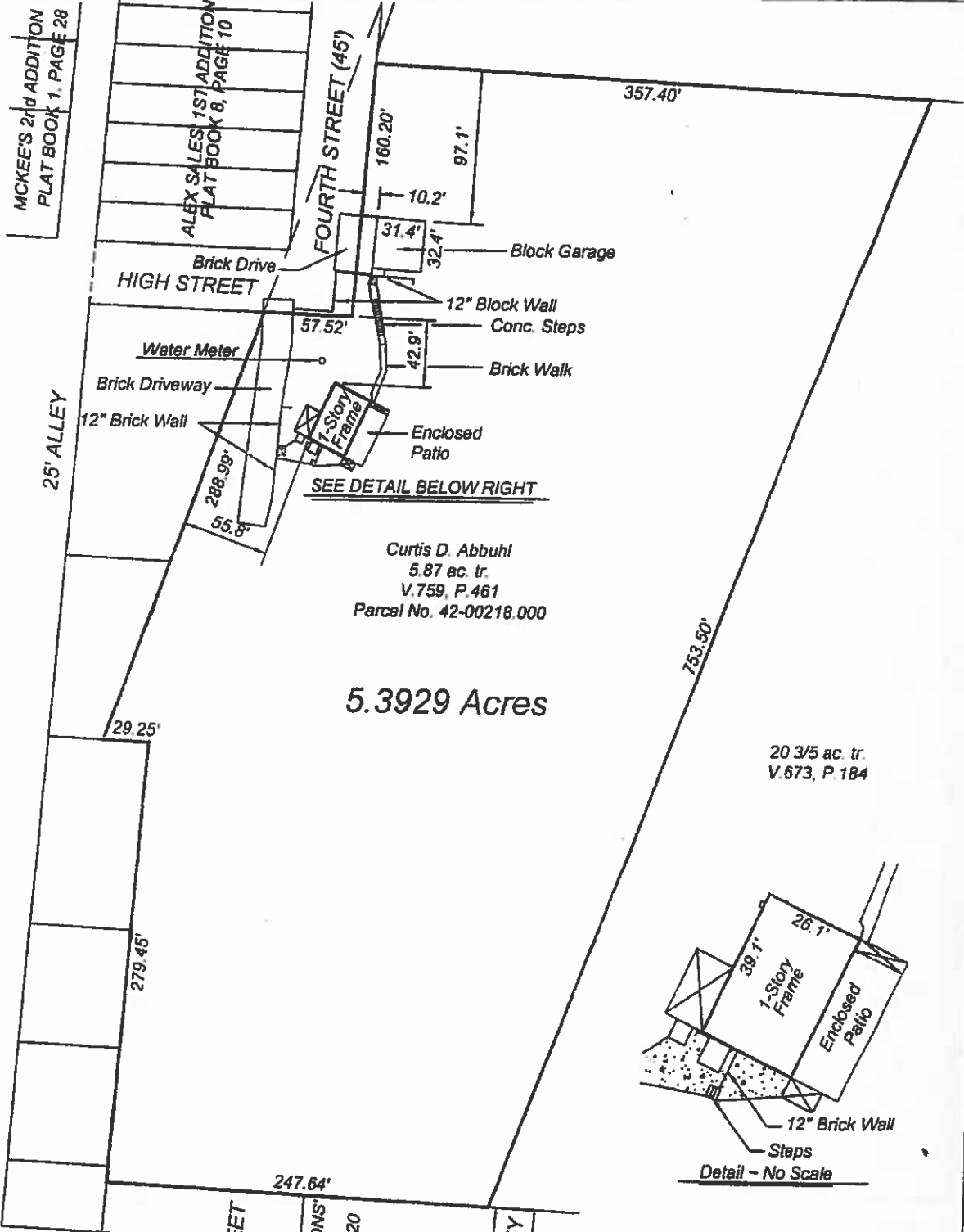
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All iron pins set are 30" x ¾" round steel bars with plastic caps stamped "D A Bower 5753".

Description prepared from a field survey by D.A. Bower, Registered Surveyor No. 5753 in April 2006.

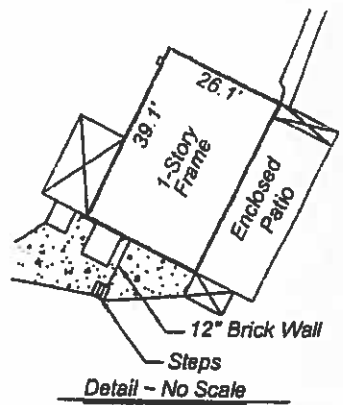

DA Bower 4/03/06
David A. Bower, Registered Surveyor
No. 5753



Curtis D. Abbuhl
 5.87 ac. tr.
 V.759, P.461
 Parcel No. 42-00218.000

5.3929 Acres

20 3/5 ac. tr.
 V.673, P.184



Detail - No Scale

denotes concrete



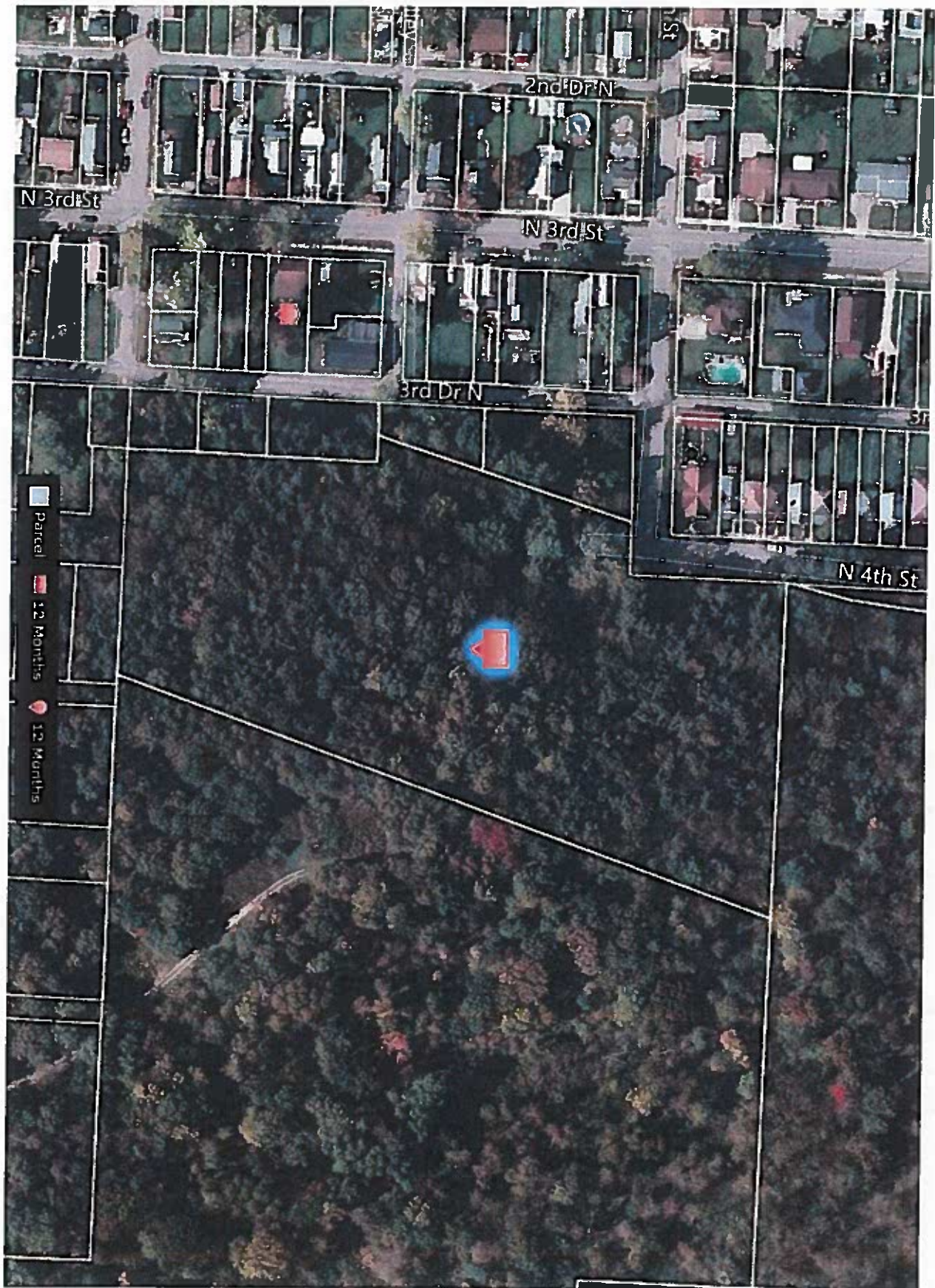
I hereby certify that the buildings situated on the above described real estate are located on and within the boundary of said premises, except as shown. I further certify that the buildings located on the adjoining properties do not encroach upon said real estate, except as shown.

David A. Bower
DAVID A. BOWER, REGISTERED SURVEYOR No.5753

NOTE This is a Mortgage Location Survey prepared in accordance with Chapter 4733-38 of the Ohio Administrative Code and is NOT a Boundary Survey pursuant to Chapter 4733-37 of the Ohio Administrative Code. No visual sightings of any easements or right-of-way on this property except as shown.

MORTGAGE LOCATION SURVEY

SCALE: 1" = 100'	Prepared by: AMERISTATE BANCORP & CONNOLLY, HILLIER & WELCH TITLE SERVICES
SURVEYED: BWS-DW 5-9-08	SELLER: CURTIS D. ABBUHL
DRAWN: LEL 5-10-08	BUYER: DAVID R. HEMPERLY
CHECKED: DAB 5-11-08	LOCATION: PART OF LOT 4 IN THE SPENCER TRACT, VILLAGE OF DENNISON, COUNTY OF TUSCARAWAS, STATE OF OHIO
DATE: 5-11-08	FILE #: DEN-108
DIVERSIFIED ENGINEERING INC. New Philadelphia, Ohio	SHEET 1 OF 3



N 3rd St

2nd Dr N

N 3rd St

3rd Dr N

N 4th St

Parcel

12 Months

12 Months



STATE OF OHIO
DEPARTMENT OF COMMERCE

2013

RESIDENTIAL PROPERTY DISCLOSURE FORM

638 N. 4TH ST DENNISON

Purpose of Disclosure Form: This is a statement of certain conditions and information concerning the property actually known by the owner. An owner may or may not have lived at the property and unless the potential purchaser is informed in writing, the owner has no more information about the property than could be obtained by a careful inspection of the property by a potential purchaser. Unless the potential purchaser is otherwise informed, the owner has not conducted any inspection of generally inaccessible areas of the property. This form is required by Ohio Revised Code Section 5302.30.

THIS FORM IS NOT A WARRANTY OF ANY KIND BY THE OWNER OR BY ANY AGENT OR SUBAGENT REPRESENTING THE OWNER. THIS FORM IS NOT A SUBSTITUTE FOR ANY INSPECTIONS. POTENTIAL PURCHASERS ARE ENCOURAGED TO OBTAIN THEIR OWN PROFESSIONAL INSPECTION(S).

Owner's Statement: The statements contained in this form are made by the owner and are not the statements of the owner's agent or subagent. The statements contained in this form are provided by the owner only to potential purchasers in a transfer made by the owner. The statements are not for purchasers in any subsequent transfers. The information contained in this disclosure form does not limit the obligation of the owner to disclose an item of information that is required by any other statute or law to be disclosed in the transfer of residential real estate.

OWNER INSTRUCTIONS

Instructions to Owner: (1) Answer ALL questions. (2) Report known conditions affecting the property. (3) Attach additional pages with your signature if additional space is needed. (4) Complete this form yourself. (5) If some items do not apply to your property, write NA (not applicable). If the item to be disclosed is not within your actual knowledge, indicate Unknown.

Owner's Initials DPH Date 3/2/17
Owner's Initials _____ Date _____

Purchaser's Initials _____ Date _____
Purchaser's Initials _____ Date _____



STATE OF OHIO DEPARTMENT OF COMMERCE

RESIDENTIAL PROPERTY DISCLOSURE FORM

Pursuant to section 5302.30 of the Revised Code and rule 1301:5-6-10 of the Administrative Code.

TO BE COMPLETED BY OWNER (Please Print)

Property Address:

638 N. 4TH ST Dennison

Owners Name(s):

x David R. Hemperly

Date:

3-2, 20 17

Owner is is not occupying the property.

If owner is occupying the property, since what date: 2006

If owner is not occupying the property, since what date:

THE FOLLOWING STATEMENTS OF THE OWNER ARE BASED ON OWNER'S ACTUAL KNOWLEDGE

A) WATER SUPPLY: The source of water supply to the property is (check appropriate boxes):

- Public Water Service, Private Water Service, Private Well, Shared Well, Holding Tank, Cistern, Spring, Pond, Unknown, Other

Do you know of any current leaks, backups or other material problems with the water supply system or quality of the water? Yes No

Is the quantity of water sufficient for your household use? (NOTE: water usage will vary from household to household) Yes No

B) SEWER SYSTEM: The nature of the sanitary sewer system servicing the property is (check appropriate boxes):

- Public Sewer, Private Sewer, Septic Tank, Leach Field, Aeration Tank, Filtration Bed, Unknown, Other

If not a public or private sewer, date of last inspection: Inspected By:

Do you know of any previous or current leaks, backups or other material problems with the sewer system servicing the property? Yes No

Information on the operation and maintenance of the type of sewage system serving the property is available from the department of health or the board of health of the health district in which the property is located.

C) ROOF: Do you know of any previous or current leaks or other material problems with the roof or rain gutters? Yes No

GUTTERS NEED CLEANED IN THE FRONT

D) WATER INTRUSION: Do you know of any previous or current water leakage, water accumulation, excess moisture or other defects to the property, including but not limited to any area below grade, basement or crawl space? Yes No

If "Yes", please describe and indicate any repairs completed:

DAMP DURING HEAVY RAINS

Owner's Initials DR Date 3/2/17

Purchaser's Initials Date

Property Address 638 N 4TH ST DENNISON

Do you know of any water or moisture related damage to floors, walls or ceilings as a result of flooding; moisture seepage, moisture condensation; ice damming; sewer overflow/backup; or leaking pipes, plumbing fixtures, or appliances? Yes No

If "Yes", please describe and indicate any repairs completed: _____

Have you ever had the property inspected for mold by a qualified inspector? Yes No

If "Yes", please describe and indicate whether you have an inspection report and any remediation undertaken: _____

Purchaser is advised that every home contains mold. Some people are more sensitive to mold than others. If concerned about this issue, purchaser is encouraged to have a mold inspection done by a qualified inspector.

E) STRUCTURAL COMPONENTS (FOUNDATION, BASEMENT/CRAWL SPACE, FLOORS, INTERIOR AND EXTERIOR WALLS): Do you know of any previous or current movement, shifting, deterioration, material cracks/settling (other than visible minor cracks or blemishes) or other material problems with the foundation, basement/crawl space, floors, or interior/exterior walls?

Yes No If "Yes", please describe and indicate any repairs, alterations or modifications to control the cause or effect of any problem identified (but not longer than the past 5 years): _____

Do you know of any previous or current fire or smoke damage to the property? Yes No

If "Yes", please describe and indicate any repairs completed: _____

F) WOOD DESTROYING INSECTS/TERMITES: Do you know of any previous/current presence of any wood destroying insects/termites in or on the property or any existing damage to the property caused by wood destroying insects/termites? Yes No

If "Yes", please describe and indicate any inspection or treatment (but not longer than the past 5 years): TREATED IN 2006

G) MECHANICAL SYSTEMS: Do you know of any previous or current problems or defects with the following existing mechanical systems? If your property does not have the mechanical system, mark N/A (Not Applicable).

	YES	NO	N/A		YES	NO	N/A
1) Electrical	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8) Water softener	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Plumbing (pipes)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Is water softener leased?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) Central heating	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9) Security System	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) Central Air conditioning	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	a. Is security system leased?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) Sump pump	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10) Central vacuum	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) Fireplace/chimney	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11) Built in appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7) Lawn sprinkler	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12) Other mechanical systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If the answer to any of the above questions is "Yes", please describe and indicate any repairs to the mechanical system (but not longer than the past 5 years): FURNACE INSTALLED ± 2010 PROBABLY A CRACKED HEAT EXCHANGER AND FINISH DUCT WORK NEEDED

H) PRESENCE OF HAZARDOUS MATERIALS: Do you know of the previous or current presence of any of the below identified hazardous materials on the property?

	Yes	No	Unknown
1) Lead-Based Paint	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Asbestos	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) Urea-Formaldehyde Foam Insulation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) Radon Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
a. If "Yes", indicate level of gas if known _____			
5) Other toxic or hazardous substances	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If the answer to any of the above questions is "Yes", please describe and indicate any repairs, remediation or mitigation to the property: _____

Owner's Initials CPA Date 3/3/17
Owner's Initials _____ Date _____

Purchaser's Initials _____ Date _____
Purchaser's Initials _____ Date _____

Property Address 639 N. 4TH ST DENNISON

I) UNDERGROUND STORAGE TANKS/WELLS: Do you know of any underground storage tanks (existing or removed), oil or natural gas wells (plugged or unplugged), or abandoned water wells on the property? Yes No
If "Yes", please describe: _____

Do you know of any oil, gas, or other mineral right leases on the property? Yes No

Purchaser should exercise whatever due diligence purchaser deems necessary with respect to oil, gas, and other mineral rights. Information may be obtained from records contained within the recorder's office in the county where the property is located.

J) FLOOD PLAIN/LAKE ERIE COASTAL EROSION AREA:
Is the property located in a designated flood plain?

Yes	No	Unknown
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is the property or any portion of the property included in a Lake Erie Coastal Erosion Area?

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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K) DRAINAGE/EROSION: Do you know of any previous or current flooding, drainage, settling or grading or erosion problems affecting the property? Yes No
If "Yes", please describe and indicate any repairs, modifications or alterations to the property or other attempts to control any problems (but not longer than the past 5 years): _____

L) ZONING/CODE VIOLATIONS/ASSESSMENTS/HOMEOWNERS' ASSOCIATION: Do you know of any violations of building or housing codes, zoning ordinances affecting the property or any nonconforming uses of the property? Yes No
If "Yes", please describe: _____

Is the structure on the property designated by any governmental authority as a historic building or as being located in an historic district? (NOTE: such designation may limit changes or improvements that may be made to the property). Yes No
If "Yes", please describe: _____

Do you know of any recent or proposed assessments, fees or abatements, which could affect the property? Yes No
If "Yes", please describe: _____

List any assessments paid in full (date/amount) _____
List any current assessments: _____ monthly fee _____ Length of payment (years _____ months _____)

Do you know of any recent or proposed rules or regulations of, or the payment of any fees or charges associated with this property, including but not limited to a Community Association, SID, CID, LID, etc. Yes No
If "Yes", please describe (amount) _____

M) BOUNDARY LINES/ENCROACHMENTS/SHARED DRIVEWAY/PARTY WALLS: Do you know of any of the following conditions affecting the property?

Yes	No	Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

1) Boundary Agreement 4) Shared Driveway
2) Boundary Dispute 5) Party Walls
3) Recent Boundary Change 6) Encroachments From or on Adjacent Property
If the answer to any of the above questions is "Yes", please describe: _____

N) OTHER KNOWN MATERIAL DEFECTS: The following are other known material defects in or on the property: _____

For purposes of this section, material defects would include any non-observable physical condition existing on the property that could be dangerous to anyone occupying the property or any non-observable physical condition that could inhibit a person's use of the property.

Owner's Initials DLH Date 3/2/17
Owner's Initials _____ Date _____

Purchaser's Initials _____ Date _____
Purchaser's Initials _____ Date _____

Property Address 1038 N. 4th St Dennison

CERTIFICATION OF OWNER

Owner certifies that the statements contained in this form are made in good faith and based on his/her actual knowledge as of the date signed by the Owner. Owner is advised that the information contained in this disclosure form does not limit the obligation of the owner to disclose an item of information that is required by any other statute or law or that may exist to preclude fraud, either by misrepresentation, concealment or nondisclosure in a transaction involving the transfer of residential real estate.

OWNER: *David R. Amy* DATE: 3/2/17
OWNER: _____ DATE: _____

RECEIPT AND ACKNOWLEDGEMENT OF POTENTIAL PURCHASERS

Potential purchasers are advised that the owner has no obligation to update this form but may do so according to Revised Code Section 5302.30(G). Pursuant to Ohio Revised Code Section 5302.30(K), if this form is not provided to you prior to the time you enter into a purchase contract for the property, you may rescind the purchase contract by delivering a signed and dated document of rescission to Owner or Owner's agent, provided the document of rescission is delivered prior to all three of the following dates: 1) the date of closing; 2) 30 days after the Owner accepted your offer; and 3) within 3 business days following your receipt or your agent's receipt of this form or an amendment of this form.

Owner makes no representations with respect to any offsite conditions. Purchaser should exercise whatever due diligence purchaser deems necessary with respect to offsite issues that may affect purchaser's decision to purchase the property.

Purchaser should exercise whatever due diligence purchaser deems necessary with respect to Ohio's Sex Offender Registration and Notification Law (commonly referred to as "Megan's Law"). This law requires the local Sheriff to provide written notice to neighbors if a sex offender resides or intends to reside in the area. The notice provided by the Sheriff is a public record and is open to inspection under Ohio's Public Records Law. If concerned about this issue, purchaser assumes responsibility to obtain information from the Sheriff's office regarding the notices they have provided pursuant to Megan's Law.

Purchaser should exercise whatever due diligence purchaser deems necessary with respect to abandoned underground mines. If concerned about this issue, purchaser assumes responsibility to obtain information from the Ohio Department of Natural Resources. The Department maintains an online map of known abandoned underground mines on their website at www.dnr.state.oh.us.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE FORM AND UNDERSTAND THAT THE STATEMENTS ARE MADE BASED ON THE OWNERS ACTUAL KNOWLEDGE AS OF THE DATE SIGNED BY THE OWNER.

My/Our Signature below does not constitute approval of any disclosed condition as represented herein by the owner.

PURCHASER: _____ DATE: _____
PURCHASER: _____ DATE: _____



AGENCY DISCLOSURE STATEMENT



The real estate agent who is providing you with this form is required to do so by Ohio law. You will not be bound to pay the agent or the agent's brokerage by merely signing this form. Instead, the purpose of this form is to confirm that you have been advised of the role of the agent(s) in the transaction proposed below. (For purposes of this form, the term "seller" includes a landlord and the term "buyer" includes a tenant.)

Property Address: 638 N. 4th St. Dennison

Buyer(s): _____

Seller(s): HEMPEL Y

I. TRANSACTION INVOLVING TWO AGENTS IN TWO DIFFERENT BROKERAGES

The buyer will be represented by _____, and _____.

AGENT(S)

BROKERAGE

The seller will be represented by _____, and _____.

AGENT(S)

BROKERAGE

II. TRANSACTION INVOLVING TWO AGENTS IN THE SAME BROKERAGE

If two agents in the real estate brokerage _____ represent both the buyer and the seller, check the following relationship that will apply:

- Agent(s) _____ work(s) for the buyer and Agent(s) _____ work(s) for the seller. Unless personally involved in the transaction, the broker and managers will be "dual agents", which is further explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information.
- Every agent in the brokerage represents every "client" of the brokerage. Therefore, agents _____ and _____ will be working for both the buyer and seller as "dual agents". Dual agency is explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information. Unless indicated below, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a personal, family or business relationship with either the buyer or seller. *If such a relationship does exist, explain:* _____

III. TRANSACTION INVOLVING ONLY ONE REAL ESTATE AGENT

Agent(s) Dan Wallace and real estate brokerage McIntire Realty will

- be "dual agents" representing both parties in this transaction in a neutral capacity. Dual agency is further explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information. Unless indicated below, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a personal, family or business relationship with either the buyer or seller. *If such a relationship does exist, explain:* _____

represent only the (check one) seller or buyer in this transaction as a client. The other party is not represented and agrees to represent his/her own best interest. Any information provided the agent may be disclosed to the agent's client.

CONSENT

I (we) consent to the above relationships as we enter into this real estate transaction. If there is a dual agency in this transaction, I (we) acknowledge reading the information regarding dual agency explained on the back of this form.

BUYER/TENANT _____ DATE _____

David R... 3/2/17
SELLER/LANDLORD DATE

BUYER/TENANT _____ DATE _____

SELLER/LANDLORD _____ DATE _____

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Property Address 638 N. 4TH DENNISON, OH

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (Initial)

(c) Purchaser has received copies of all information listed above.

(d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check (i) or (ii) below):

(i) received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (Initial)

(f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

<u>David Anthony</u> Seller	<u>03/2/17</u> Date	_____ Seller	_____ Date
<u>[Signature]</u> Purchaser	<u>3/2/17</u> Date	_____ Purchaser	_____ Date
<u>[Signature]</u> Agent	<u>3/2/17</u> Date	_____ Agent	_____ Date

**PAID-UP
OIL & GAS LEASE**

04/10 - OH

Lease No. _____

This Lease, made this 1st day of April, 2011, by and between DAVID RALPH HEMPERLY, A SINGLE MAN, of 638 NORTH FOURTH STREET, DENNISON, OH 44621, hereinafter collectively called "Lessor," and Chesapeake Exploration, L.L.C., 6100 N. Western Ave., Oklahoma City, OK 73118, hereinafter called "Lessee".

WITNESSETH, that for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements hereinafter set forth, the Lessor and Lessee agree as follows:

LEASING CLAUSE. Lessor hereby leases exclusively to Lessee all the oil and gas (including, but not limited to coal seam gas, coalbed methane gas, coalbed gas, methane gas, gob gas, occluded methane/natural gas and all associated natural gas and other hydrocarbons and non-hydrocarbons contained in, associated with, emitting from, or produced/originating within any formation, gob area, mined-out area, coal seam, and all communicating zones), and their liquid or gaseous constituents, whether hydrocarbon or non-hydrocarbon, underlying the land herein leased, together with such exclusive rights as may be necessary or convenient for Lessee, at its election, to explore for, develop, produce, measure, and market production from the Leasehold, and from adjoining lands, using methods and techniques which are not restricted to current technology, including the right to conduct geophysical and other exploratory tests; to drill, maintain, operate, cease to operate, plug, abandon, and remove wells; to use or install roads, electric power and telephone facilities, and to construct pipelines with appurtenant facilities, including data acquisition, compression and collection facilities for use in the production and transportation of products from the Leasehold or from neighboring lands across the Leasehold, to use oil, gas, and non-domestic water sources, free of cost, to store gas of any kind underground, regardless of the source thereof, including the injecting of gas therein and removing the same therefrom; to protect stored gas; to operate, maintain, repair, and remove material and equipment; to use and occupy the subsurface for a wellbore or wellbores to drill across, through and under the Leasehold.

DESCRIPTION. The Leasehold is located in the Township of MILL, in the County of Tuscarawas, in the State of Ohio, and described as follows:

Township 007N; Range 001W; Section:01

Parcel #: 42-00218-000

Property Tax Parcel Identification Number: 42-00218-000

and is bounded formerly or currently as follows:

On the North by lands now or formerly of	James Griffin
On the East by lands now or formerly of	William Dudgeon, et al
On the South by lands now or formerly of	R & N Ventures
On the West by lands now or formerly of	Betty Parks

See attached Exhibit 'A' which is unrecorded.

including lands acquired from CURTIS D. ABBUHL AKA CURTIS D. ABBUHL, SR., MARRIED, GRANTOR, by virtue of deed dated May 19, 2006, and recorded in Book 1224, at Page 2210, and described for the purposes of this agreement as containing a total of 5.3920 Leasehold acres, whether actually more or less, and including contiguous lands owned by Lessor. This Lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor, by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land.

LEASE TERM. This Lease shall remain in force for a primary term of TEN (10) years from 12:00 A.M. April 01, 2011 (effective date) to 11:59 P.M. April 01, 2021 (last day of primary term) and shall continue beyond the primary term as to the entirety of the Leasehold if any of the following is satisfied: (i) operations are conducted on the Leasehold or lands pooled/unitized therewith in search of oil, gas, or their constituents, or (ii) a well deemed by Lessee to be capable of production is located on the Leasehold or lands pooled/unitized therewith, or (iii) oil or gas, or their constituents, are produced from the Leasehold or lands pooled/unitized therewith, or (iv) if the Leasehold or lands pooled/unitized therewith is used for the underground storage of gas, or for the protection of stored gas, or (v) if prescribed payments are made, or (vi) if Lessee's operations are delayed, postponed or interrupted as a result of any coal, stone or other mining or mining related operation under any existing and effective lease, permit or authorization covering such operations on the leased premises or on other lands affecting the leased premises, such delay will automatically extend the primary or secondary term of this oil and gas lease without additional compensation or performance by Lessee for a period of time equal to any such delay, postponement or interruption.

If there is any dispute concerning the extension of this Lease beyond the primary term by reason of any of the alternative mechanisms specified herein, the payment to the Lessor of the prescribed payments provided below shall be conclusive evidence that the Lease has been extended beyond the primary term.

NO AUTOMATIC TERMINATION OR FORFEITURE

(A) **CONSTRUCTION OF LEASE:** The language of this Lease (including, but not limited to, the Lease Term and Extension of Term clauses) shall never be read as language of special limitation. This Lease shall be construed against termination, forfeiture, cancellation or expiration and in favor of giving effect to the continuation of this Lease where the circumstances exist to maintain this Lease in effect under any of the alternative mechanisms set forth above. In connection therewith, (i) a well shall be deemed to be capable of production if it has the capacity to produce a profit over operating costs, without regard to any capital costs to drill or equip the well, or to deliver the oil or gas to market, and (ii) the Lessee shall be deemed to be conducting operations in search of oil or gas, or their constituents, if the Lessee is engaged in geophysical and other exploratory work including, but not limited to, activities to drill an initial well, to drill a new well, or to rework, stimulate, deepen, sidetrack, frac, plug back in the same or different formation or repair a well or equipment on the Leasehold or any lands pooled/unitized therewith (such activities shall include, but not be limited to, performing any preliminary or preparatory work necessary for drilling, conducting internal technical analysis to initiate and/or further develop a well, obtaining permits and approvals associated therewith and may include reasonable gaps in activities provided that there is a continuum of activities showing a good faith effort to develop a well or that the cessation or interruption of activities was beyond the control of Lessee, including interruptions caused by the acts of third parties over whom Lessee has no control or regulatory delays associated with any approval process required for conducting such activities).

(B) **LIMITATION OF FORFEITURE:** This Lease shall never be subject to a civil action or proceeding to enforce a claim of termination, cancellation, expiration or forfeiture due to any action or inaction by the Lessee, including, but not limited to making any prescribed payments authorized under the terms of this Lease, unless the Lessee has received written notice of Lessor's demand and thereafter fails or refuses to satisfy or provide justification responding to Lessor's demand within 60 days from the receipt of such notice. If Lessee timely responds to Lessor's demand, but in good faith disagrees with Lessor's position and sets forth the reasons therefore, such a response shall be deemed to satisfy this provision, this Lease shall continue in full force and effect and no further damages (or other claims for relief) will accrue in Lessor's favor during the pendency of the dispute, other than claims for payments that may be due under the terms of this Lease.

PAYMENTS TO LESSOR. In addition to the bonus paid by Lessee for the execution hereof, Lessee covenants to pay Lessor, proportionate to Lessor's percentage of ownership, as follows:

(A) **DELAY RENTAL:** To pay Lessor as Delay Rental, after the first year, at the rate of five dollars (\$5.00) per net acre per year payable in advance. The parties hereto agree that this is a Paid-Up Lease with no further Delay Rental and/or Delay in Marketing payments due to Lessor during the primary term hereof.

(B) **ROYALTY:** To pay Lessor as Royalty, less all taxes, assessments, and adjustments on production from the Leasehold, as follows:

1. **OIL:** To deliver to the credit of Lessor a Royalty equal to one-eighth (1/8) of the net revenue realized by Lessee for all oil and any constituents thereof produced and marketed from the Leasehold, less the cost to transport, handle, separate, meter, treat, process and market the oil.

2. **GAS:** To pay Lessor an amount equal to one-eighth (1/8) of the net revenue realized by Lessee for all gas and the constituents thereof produced and marketed from the Leasehold, less the cost to transport, gather, dehydrate, compress, market, meter, treat and process the gas and any losses in volumes to point of measurement that determines the revenue realized by Lessee. Lessee may withhold Royalty payment until such time as the total withheld exceeds fifty dollars (\$50.00).

(C) **DELAY IN MARKETING:** In the event that Lessee drills a well on the Leasehold or lands pooled/unitized therewith that is awaiting completion (such as hydraulic fracture stimulation), or that Lessee deems to be capable of production, but does not market producible gas, oil, or their constituents therefrom and there is no other basis for extending this Lease, Lessee shall pay after the primary term and until such time as marketing is established (or Lessee surrenders the Lease) a Delay in Marketing payment equal in amount and frequency to the annual Delay Rental payment, and this Lease shall remain in full force and effect to the same extent as payment of Royalty.

(D) SHUT-IN: In the event that production of oil, gas, or their constituents is interrupted and not marketed for a period of twelve (12) months, and there is no producing well on the Leasehold or lands pooled/unitized therewith, Lessee shall thereafter, as Royalty for constructive production, pay a Shut-in Royalty equal in amount and frequency to the annual Delay Rental payment until such time as production is re-established (or lessee surrenders the Lease) and this Lease shall remain in full force and effect. During Shut-in, Lessee shall have the right to rework, stimulate, or deepen any well on the Leasehold or to drill a new well on the Leasehold in an effort to re-establish production, whether from an original producing formation or from a different formation. In the event that the production from the only producing well on the Leasehold is interrupted for a period of less than twelve (12) months, this Lease shall remain in full force and effect without payment of Royalty or Shut-in Royalty.

(E) DAMAGES: Lessee will remove unnecessary equipment and materials and reclaim all disturbed lands at the completion of activities, and Lessee agrees to repair any damaged improvements to the land and pay for the loss of growing crops or marketable timber.

(F) MANNER OF PAYMENT: Lessee shall make or tender all payments due hereunder by check, payable to Lessor, at Lessor's last known address, and Lessee may withhold any payment pending notification by Lessor of a change in address. Payment may be tendered by mail or any comparable method (e.g., Federal Express), and payment is deemed complete upon mailing or dispatch. Where the due date for any payment specified herein falls on a holiday, Saturday or Sunday, payment tendered (mailed or dispatched) on the next business day is timely.

(G) CHANGE IN LAND OWNERSHIP: Lessee shall not be bound by any change in the ownership of the Leasehold until furnished with such documentation as Lessee may reasonably require. Pending the receipt of documentation, Lessee may elect either to continue to make or withhold payments as if such a change had not occurred.

(H) TITLE: If Lessee receives evidence that Lessor does not have title to all or any part of the rights herein leased, Lessee may immediately withhold payments that would be otherwise due and payable hereunder to Lessor until the adverse claim is fully resolved.

(I) LIENS: Lessee may at its option pay and discharge any past due taxes, mortgages, judgments, or other liens and encumbrances on or against any land or interest included in the Leasehold; and Lessee shall be entitled to recover from the debtor, with legal interest and costs, by deduction from any future payments to Lessor or by any other lawful means. In the event the leased lands are encumbered by a prior mortgage, then, notwithstanding anything contained herein to the contrary, Lessee shall have the right to suspend the payment of any royalties due hereunder, without liability for interest, until such time as Lessor obtains at its own expense a subordination of the mortgage in a form acceptable to Lessee.

(J) CHARACTERIZATION OF PAYMENTS: Payments set forth herein are covenants, not special limitations, regardless of the manner in which these payments may be invoked. Any failure on the part of the Lessee to timely or otherwise properly tender payment can never result in an automatic termination, expiration, cancellation, or forfeiture of this Lease. Lessor recognizes and acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, can vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor hereby agrees that the payment terms, as set forth herein, and any bonus payments paid to Lessor constitute full consideration for the Leasehold. Lessor further agrees that such payment terms and bonus payments are final and that Lessor will not seek to amend or modify the lease payments, or seek additional consideration based upon any differing terms which Lessee has or will negotiate with any other lessor/oil and gas owner.

(K) PAYMENT REDUCTIONS: If Lessor owns a lesser interest in the oil or gas than the entire undivided fee simple estate, then the rentals (except for Delay Rental payments as set forth above), royalties and shut-in royalties hereunder shall be paid to Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

UNITIZATION AND POOLING. Lessor grants Lessee the right to pool, unitize, or combine all or parts of the Leasehold with other lands, whether contiguous or not contiguous, leased or unleased, whether owned by Lessee or by others, at a time before or after drilling or production units either by contract right or pursuant to governmental authorization. Pooling or unitizing in one or more instances shall not exhaust Lessee's pooling and unitizing rights hereunder, and Lessee is granted the right to change the size, shape, and conditions of operation or payment of any unit created. Lessor agrees to accept and receive out of the production or the revenue realized from the production of such unit, such proportional share of the Royalty from each unit well as the number of Leasehold acres included in the unit bears to the total number of acres in the unit. Otherwise, as to any part of the unit, drilling, operations in preparation for drilling, production, or shut-in production from the unit, or payment of Royalty, Shut-in Royalty, Delay in Marketing payment or Delay Rental attributable to any part of the unit (including non-Leasehold land) shall have the same effect upon the terms of this Lease as if a well were located on, or the subject activity attributable to, the Leasehold. In the event of conflict or inconsistency between the Leasehold acres ascribed to the Lease, and the local property tax assessment calculation of the lands covered by the Lease, or the deeded acreage amount, Lessee may, at its option, rely on the latter as being determinative for the purposes of this paragraph.

FACILITIES. Lessee shall not drill a well on the Leasehold within 200 feet of any structure located on the Leasehold without Lessor's written consent. Lessor shall not erect any building or structure, or plant any trees within 200 feet of a well or within 25 feet of a pipeline without Lessee's written consent. Lessor shall not improve, modify, degrade, or restrict roads and facilities built by Lessee without Lessee's written consent.

CONVERSION TO STORAGE. Lessee is hereby granted the right to convert the Leasehold or lands pooled/unitized therewith to gas storage. At the time of conversion, Lessee shall pay Lessor's proportionate part for the estimated recoverable gas remaining in any well drilled pursuant to this Lease using methods of calculating gas reserves as are generally accepted by the natural gas industry and, in the event that all wells on the Leasehold and/or lands pooled/unitized therewith have permanently ceased production, Lessor shall be paid a Conversion to Storage payment in an amount equal to Delay Rental for as long thereafter as the Leasehold or lands pooled/unitized therewith is/are used for gas storage or for protection of gas storage; such Conversion to Storage payment shall first become due upon the next ensuing Delay Rental anniversary date. The use of any part of the Leasehold or lands pooled or unitized therewith for the underground storage of gas, or for the protection of stored gas will extend this Lease beyond the primary term as to all rights granted by this Lease, including but not limited to production rights, regardless of whether the production and storage rights are owned together or separately.

DISPOSAL AND INJECTION WELLS. Lessor hereby grants to Lessee the right to drill wells and/or re-enter existing wells, including necessary location, roadway and pipeline easements and rights of way, on any part of the Leasehold or lands pooled or unitized therewith for the disposal and/or injection into any subsurface strata, other than a potable water strata, of air, gas, brine, completion and production fluids, waste water and any hydrocarbon related substances from any source, including, but not limited to wells on the Leasehold or lands pooled or unitized therewith or from properties and lands outside the Leasehold or lands pooled or unitized therewith, and to conduct all operations as may be required, for so long as necessary and required by Lessee for purposes as herein provided. If, at the expiration of the primary term, Lessee is disposing and/or injecting into any subsurface strata underlying the Leasehold or lands pooled or unitized therewith or conducting operations for such disposal and/or injection and this lease is not being maintained by any other provision contained herein and no other payments are being made to Lessor as prescribed hereunder, Lessee shall pay to Lessor the sum of one thousand dollars (\$1,000.00) per year, proportionately reduced to Lessor's ownership in the Leasehold and surface as it bears to the full and undivided estate, beginning on the next anniversary date of this Lease and said payment and term of this Lease, insofar as to terms and provisions contained herein applicable to disposal and injection wells, shall continue annually thereafter for so long as necessary and required by Lessee for purposes as herein provided and until all disposal and/or injection wells located on the Leasehold or on lands pooled or unitized therewith are plugged and abandoned. Lessor agrees that if required by Lessee, regulatory agency or governmental authority having jurisdiction, Lessor shall enter a separate Disposal and Injection Agreement with Lessee for the purposes as herein provided.

TITLE AND INTERESTS. Lessor hereby warrants generally and agrees to defend title to the Leasehold and covenants that Lessee shall have quiet enjoyment hereunder and shall have benefit of the doctrine of after acquired title. Should any person having title to the Leasehold fail to execute this Lease, the Lease shall nevertheless be binding upon all persons who do execute it as Lessor.

LEASE DEVELOPMENT. There is no implied covenant to drill, prevent drainage, further develop or market production within the primary term or any extension of term of this Lease. There shall be no Leasehold forfeiture, termination, expiration or cancellation for failure to comply with said implied covenants. Provisions herein, including, but not limited to the prescribed payments, constitute full compensation for the privileges herein granted.

COVENANTS. This Lease and its expressed or implied covenants shall not be subject to termination, forfeiture of rights, or damages due to failure to comply with obligations if compliance is effectively prevented by federal, state, or local law, regulation, or decree, or the acts of God and/or third parties over whom Lessee has no control.

RIGHT OF FIRST REFUSAL. If at any time within the primary term of this Lease or any continuation or extension thereof, Lessor receives any bona fide offer, acceptable to Lessor, to grant an additional lease ("Top Lease") covering all or part of the Leasehold, Lessee shall have the continuing option by meeting any such offer to acquire a Top Lease on equivalent terms and conditions. Any offer must be in writing and must set forth the proposed Lessee's name, bonus consideration and royalty consideration to be paid for such Top Lease, and include a copy of the lease form to be utilized reflecting all pertinent and relevant terms and conditions of the Top Lease. Lessee shall have fifteen (15) days after receipt from Lessor of a complete copy of any such offer to advise Lessor in writing of its election to enter into an oil and gas lease with Lessor on equivalent terms and conditions. If Lessee fails to notify Lessor within the aforesaid fifteen (15) day period of its election to meet any such bona fide offer, Lessor shall have the right to accept said offer. Any Top Lease granted by Lessor in violation of this provision shall be null and void.

ARBITRATION. In the event of a disagreement between Lessor and Lessee concerning this Lease or the associated Order of Payment, performance thereunder, or damages caused by Lessee's operations, the resolution of all such disputes shall be determined by arbitration in accordance with the rules of the American Arbitration Association. Arbitration shall be the exclusive remedy and cover all disputes, including but not limited to, the formation, execution, validity and performance of the Lease and Order of Payment. All fees and costs associated with the arbitration shall be borne equally by Lessor and Lessee.

ENTIRE CONTRACT. The entire agreement between Lessor and Lessee is embodied herein and in the associated Order of Payment (if any). No oral warranties, representations, or promises have been made or relied upon by either party as an inducement to or modification of this Lease.

TITLE CURATIVE. Lessor agrees to execute affidavits, ratifications, amendments, permits and other instruments as may be necessary to carry out the purpose of this lease.

SURRENDER. Lessee, at any time, and from time to time, may surrender and cancel this Lease as to all or any part of the Leasehold by recording a Surrender of Lease and thereupon this Lease, and the rights and obligations of the parties hereunder, shall terminate as to the part so surrendered; provided, however, that upon each surrender as to any part of the Leasehold, Lessee shall have reasonable and convenient easements for then existing wells, pipelines, pole lines, roadways and other facilities on the lands surrendered.

SUCCESSORS. All rights, duties, and liabilities herein benefit and bind Lessor and Lessee and their heirs, successors, and assigns.

EXHIBIT "A"

This Exhibit "A" is attached to and made a part of that certain Oil and Gas Lease dated April 1, 2011, by and between **DAVID RALPH HEMPERLY, A SINGLE MAN**, as Lessor, and Chesapeake Exploration, L.L.C., as Lessee. If any of the following provisions conflict with or are inconsistent with the printed provisions or terms of this Lease, the following provisions shall control.

NO STORAGE RIGHTS: Notwithstanding anything herein contained to the contrary, Lessee agrees the herein described leased premises shall not be used for the purpose of gas storage as defined by the Federal Energy Regulatory Commission. Any reference to gas storage contained in this lease is hereby deleted. If Lessor wishes to enter into an agreement regarding gas storage using the leased premises with a third party, Lessor shall first give Lessee written notice of the identity of the third party, the price or the consideration for which the third party is prepared to offer, the effective date and closing date of the transaction and any other information respecting the transaction which Lessee believes would be material to the exercise of the offering. Lessor does hereby grant Lessee the first option and right to purchase the gas storage rights by matching and tendering to the Lessor any third party's offering within 30 days of receipt of notice from Lessor.

DISPOSAL WELLS: Lessee is not granted any right whatsoever to use the Leasehold, or any portion thereof, for construction and/ or operation of any disposal well, injection well, or the construction and/ or operation of water disposal facilities.

NO SURFACE OPERATIONS: The parties hereto agree that without a separate written agreement or order Lessee shall not have the right to drill wells, construct pipelines, construct access roads and/or install any other facilities on the herein described leased premises. It is expressly understood and agreed, however, that Lessee shall have the exclusive right to conduct geophysical work on the surface of the herein described premises by virtue of rights contained in the granting clause.

SIGNED FOR IDENTIFICATION ONLY:

(Seal)

DAVID RALPH HEMPERLY

(Seal)
