

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

**PAID-UP
OIL, GAS AND MINERAL LEASE**

THIS AGREEMENT made and entered into this **23rd day of September, 2024**, between **Susan E. Downer**, hereinafter called "Lessor" (whether one or more), whose address is 20 Fawn Lane, Unit B, Palm Coast, Florida 32137, and **Tangent Land, LLC**, hereinafter called "Lessee", whose address is 7 Grogan's Park Drive, Suite 1, The Woodlands, TX 77380.

1. Lessor, in consideration of ten and no/100's Dollars (\$10.00) and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, of the royalties herein provided and of the agreements of the Lessee herein contained, hereby grants, leases and lets, exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling, mining and operating for and producing oil, gas and all other minerals, injecting gas, waters, other fluids, air and other gaseous substances into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, electric transmission lines, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land in Henderson and Van Zandt Counties, Texas to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR LEGAL DESCRIPTION.

Notwithstanding any particular description, it is nevertheless the intention of Lessor to include within this lease, and Lessor does hereby lease, not only the land so described but also any and all other land owned or claimed by Lessor in the herein named survey or surveys, or in adjoining surveys, and adjoining the herein described land up to the boundaries of the abutting landowners, the leased lands being hereinafter referred to as "said land." For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **1098.75** acres whether actually containing more or less. Lessor agrees to execute any supplemental instrument(s) requested by Lessee for a more complete or accurate description of said land or instrument(s) to perfect title deficiencies.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "Primary term"), and as long thereafter as oil, gas or other minerals is produced from said physical land or land with which said land or any part thereof is pooled, or this lease is maintained by virtue of some other provision hereof.

3. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term.

4. The royalties to be paid by Lessee are: (a) on oil and on other liquid hydrocarbons saved at the well, 18% of that produced and saved from said land, same to be delivered at the wells or to the credit of Lessor in the pipeline to which the wells may be connected with Lessor's interest in either case bearing its proportion of any expense for treating oil to make it marketable as crude and Lessee having the option, at any time or from time to time, to purchase Lessor's oil at the well, paying therefore the lawful market price on the date of purchase for oil of like grade and gravity prevailing for the field nearest where such oil is produced; (b) on gas, including casing head gas and all gaseous substances, produced from said land and sold by Lessee 18% of the amount realized from such sale thereof, after deduction of a proportionate part of the production, severance and other excise taxes and the cost incurred by Lessee in delivering, processing, compressing, or otherwise making such gas or other substances merchantable; (c) on gas, including casing head gas and all gaseous substances, produced from said land and used off said land by Lessee and not benefiting Lessor, the market value at the mouth of the well of 18% of the gas so used off said land; (d) on all minerals mined and marketed, 18% either in kind or value at the well or mine, at Lessee's election, except that on sulfur the royalty shall be One Dollar (\$1.00) per long ton; and (e) if at any time while there is a gas well or wells on the said land or land pooled therewith (for the purposes of this clause (e) the term "gas well" shall include wells capable of producing natural gas, condensate, distillate or any gaseous substance and wells classified as gas wells by any governmental authority) and such well or wells are shut-in, and this lease is not being maintained otherwise as provided herein, this lease shall nevertheless remain in force and effect following the shutting-in of the well(s), whether it be during or after the primary term (unless released by Lessee), and it shall be considered that gas is being produced from the land covered by this lease. When the lease is continued in force in this manner and the well or wells are shut-in for a period of at least ninety (90) consecutive days, Lessee shall pay or tender as an advanced annual royalty to the parties who at the time of such payment would be entitled to receive royalty hereunder if the well were producing, or deposit to their credit in the mail direct to lessor bank (Account No.) \$1.00 per net acre for the acreage then held under this lease by the party making such payment or tender. The first payment of such sum shall be made on or before either: (1) ninety (90) days from the date such well or wells are shut-in; (2) ninety (90) days from the effective date for inclusion of said land or a portion thereof within a unit on which is located a shut-in gas well; or (3) ninety (90) days from the date this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and it shall be considered that gas is being produced from said land in paying quantities within the meaning of Paragraph 2 hereof for one (1) year from the date of such payment, and in like manner subsequent advance annual royalty payments may be made or tendered and it will be considered that gas is being produced from said land in paying quantities within the meaning of said Paragraph 2 during any annual period for which such royalty is so paid or tendered; such advanced annual royalty payment shall be credited against any royalty accruing to the owners thereof on any production from said land during any annual period for which such advanced annual payment has been made. Lessee's failure to pay or tender or to pay or tender properly or timely any such sum as royalty shall render Lessee liable for the amount due but it shall not operate to terminate this lease. All royalty interests, whether or not owned by the undersigned, shall be paid out of the royalty as provided for in said lease.

5. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee at its sole discretion deems it necessary or proper to do in order to develop or operate prudently the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a Larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir is at least one hundred (100) feet. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling, completion, or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling, completion or reworking operations on the leased premises, except that the production on which Lessors royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, so long as the total acreage therein does not exceed the maximum herein specified. Also each such drilling or production unit, when limited to any one or more formations and to any one or more of the minerals therein or produced therefrom, may from time to time be enlarged and extended by Lessee to include additionally any other formation or formations and any other mineral or minerals therein or produced therefrom. In making such a revision, Lessee shall file or record a written declaration describing the

revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. Lessee may place and use on each unit created hereunder common measuring and reworking tanks for production from such unit. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. If, at the expiration of the primary term, oil, gas or other mineral is not being produced from said land or land pooled therewith but Lessee is then engaged in operations for drilling, mining or reworking of any well or mine thereon or shall have completed a dry hole thereon within one hundred eighty (180) days prior to the end of the primary term, this lease shall remain in force so long as operations on said well or for the drilling or reworking of an additional well are commenced and prosecuted (whether on the same or successive wells) with no cessation of more than one hundred eighty (180) consecutive days, and, if they result in production, so long thereafter as oil, gas or other mineral is produced from said land or land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas or other mineral is produced from said land or land pooled therewith, production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within one hundred eighty (180) days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than one hundred eighty (180) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or land pooled therewith. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within two hundred (200) feet of and draining said land, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances. The judgment of the Lessee, when not fraudulently exercised, in carrying out the purpose of this lease shall be conclusive.

7. Lessee shall have free use of oil, gas and water from said land, except water from Lessor's wells and tanks, for all operations hereunder including repressuring, pressure maintenance, cycling and secondary recovery operations, and the royalty shall be computed after deducting any so used. Any structures and facilities placed on said land by Lessee for operations hereunder and any well or wells on said land drilled or used for the injection of salt water or other fluids may also be used for Lessee's operations on other lands in the same area. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, representatives, successors and assigns, but no change or division in ownership of the land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the land or royalties shall be binding upon Lessee for any purpose until such person acquiring any interest has furnished Lessee with the instrument of instruments or certified copies thereof, constituting the chain of title from the original Lessor. An assignment of this lease, in whole, or in part, shall, to the extent of such assignment, relieve and discharge Lessee of any obligations hereunder, and, if Lessee or assignee of part or parts hereof shall fail to comply with any provision of this lease, such default shall not affect this lease insofar as it covers a part of said land upon which Lessee or any assignee thereof shall not be in default. Should more than six parties become entitled to royalties hereunder, Lessee may require the appointment of a single agent to receive payment for all and may withhold payment until such appointment has been made.

9. When drilling or other operations are delayed or interrupted by storm, flood or other act of God, fire, war, rebellion, insurrection, riot, strikes, differences with workmen, unavailability of material or equipment, failure of carriers to transport or furnish facilities for transportation, some order, requisition or necessity of the government or as a result of any cause whatsoever beyond the control of the Lessee, the time of such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State laws. Executive orders, rules or regulations and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation. If from such causes Lessee is prevented from conducting drilling or reworking operations on, or producing oil or gas from said land or land pooled therewith, the time while Lessee is so prevented shall not be counted against Lessee, and this lease shall be extended for a period of time equal to that during which such Lessee is so prevented from conducting drilling or reworking operations on, or producing oil or gas from said land or land pooled therewith, notwithstanding any other provision hereof.

10. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty (60) days after receipt of notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said land, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one (1) well per forty (40) acres, plus an acreage tolerance not to exceed ten per cent (10%) of forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one (1) well per six hundred forty (640) acres, plus an acreage tolerance not to exceed ten per cent (10%) of six hundred forty (640) acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities or a horizontal completion.

11. Lessor hereby warrants and agrees to defend the title to said land, and agrees that Lessee, at its option, may discharge any tax, mortgage or other lien upon said land in the event of default of payment by Lessor, and in the event Lessee does so, it shall be subrogated to such lien with the right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in the event of failure of title, it is agreed that, if Lessor owns an interest in said land less than the entire fee simple estate, whether stated herein above as a whole or partial interest, then the royalties to be paid Lessor shall be reduced proportionately. All royalty interest covered by this lease (whether or not owned by lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named herein above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

12. Lessee, its successors and assigns, shall have the right at any time to surrender this lease, in whole or in part, to Lessor or Lessors heirs, representatives, successors and assigns by delivering or mailing a release thereof to the Lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon Lessee shall be relieved from all obligations, express or implied, of this agreement as to the acreage so surrendered, and thereafter the advance annual royalties payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

13. In the event the earliest notary acknowledgment is more than sixty (60) days beyond the date entered on this lease, then the effective date (for purposes of determining the expiration of the primary term) shall become the earliest notary acknowledgment date.

14. Notwithstanding the termination of this lease as to a portion of the lands covered hereby, Lessee shall nevertheless continue to have the right of ingress and egress from the lands still subject to this Lease, retained lands, for all purposes described and allowed hereunder, together with easements, right-of-ways, roads, pipelines and other facilities on, over and across all the lands originally covered by this Lease, for access to and from the retained lands, and for the gathering or transportation of oil, gas and other minerals produced from such retained lands.

15. Lessee is hereby given the option to extend the primary term of this lease for an additional three (3) years from the expiration of the original primary term hereof. This option may be exercised by Lessee at any time during the original primary term by paying the sum of one hundred & No/100 Dollars (\$100.00) per net mineral acre to Lessor or to the credit of Lessor mailed to Lessor at the above address, (which address is Lessor's agents and shall continue as the depository regardless of changes in ownership of said land.) This payment shall be based upon the number of net mineral acres then covered by this lease and not at such time being maintained

by other provisions hereof. This payment may be made by the check or draft of Lessee mailed or delivered to Lessor or to said bank at any time during the original primary term hereof. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept payment, Lessee shall not be held in default for failure to make such payment until thirty (30) days after Lessor's delivery to Lessee of a proper recordable instrument naming another bank as agent to receive such payment. If, at the time this payment is made, various parties are entitled to specific amounts according to Lessee's records, this payment may be divided between said parties and paid in the same proportion. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of six (6) years.

IN WITNESS WHEREOF, this instrument is executed as of the date above written.

Texas Royalty Brokers
x _____
Susan E. Downer

STATE OF FLORIDA

COUNTY OF _____

This instrument was acknowledged before me this x _____ day of September, 2024, by Susan E. Downer.

x _____
Notary Public, State of Florida.

Texas Royalty Brokers

Texas Royalty Brokers

Exhibit "A"**ATTACHED TO AND MADE A PART OF THAT CERTAIN PAID-UP OIL, GAS AND MINERAL LEASE DATED SEPTEMBER 23, 2024, BY AND BETWEEN SUSAN E. DOWNER, AS LESSOR, AND TANGENT LAND, LLC, AS LESSEE, COVERING 1098.75 ACRES IN HENDERSON AND VAN ZANDT COUNTIES, TEXAS.**

1098.75 acres of land, more or less, and being more particularly described as sixteen (16) tracts of land as follows, to wit:

Tract 1: 33.25 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas and the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described as the first tract in that certain Warranty Deed dated October 28, 1940, from Alice Blake to Clara A. Earle, and recorded in Volume 245, Page 295 of the Deed Records, Henderson County, Texas.

Tract 2: 7.00 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas, and being more particularly described as the "SECOND TRACT" in that certain Warranty Deed dated October 28, 1940, from Alice Blake to Clara A. Earle, and recorded in Volume 245, Page 295 of the Deed Records, Henderson County, Texas.

Tract 3: 43.00 acres of land, more or less, located in the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described as the first tract in that certain Warranty Deed dated September 20, 1940, from Mrs. T.S. Davenport, et al to Clara A. Earle, and recorded in Volume 282, Page 135 of the Deed Records, Van Zandt County, Texas.

Tract 4: 43.00 acres of land, more or less, located in the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described as the "SECOND TRACT" in that certain Warranty Deed dated September 20, 1940, from Mrs. T.S. Davenport, et al to Clara A. Earle, and recorded in Volume 282, Page 135 of the Deed Records, Van Zandt County, Texas.

Tract 5: 42.00 acres of land, more or less, located in the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described as the "THIRD TRACT" in that certain Warranty Deed dated September 20, 1940, from Mrs. T.S. Davenport, et al to Clara A. Earle, and recorded in Volume 282, Page 135 of the Deed Records, Van Zandt County, Texas.

Tract 6: 34.00 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas, and being more particularly described as the "FIRST TRACT" in that certain Warranty Deed dated August 18, 1941, from Curtis Parker and wife, Florence Parker to Clara A. Earle, and recorded in Volume 256, Page 166 of the Deed Records, Henderson County, Texas.

Tract 7: 7.00 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas, and being more particularly described as the "SECOND TRACT" in that certain Warranty Deed dated August 18, 1941, from Curtis Parker and wife, Florence Parker to Clara A. Earle, and recorded in Volume 256, Page 166 of the Deed Records, Henderson County, Texas.

Tract 8: 274.00 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas, and being more particularly described in that certain Warranty Deed dated August 15, 1941, from Curtis Parker, et al to Clara A. Earle, and recorded in Volume 256, Page 167 of the Deed Records, Henderson County, Texas.

Tract 9: 125.60 acres of land, more or less, located in the J.M. Martinez Survey, A-499 and the James Martin Survey, A-508, Van Zandt County, Texas, and being more particularly described as the "FIRST TRACT" in that certain Warranty Deed with Vendor's Lien dated March 11, 1940, from W.R. Pounders and wife, Nellie Pounders to Clara A. Earle, and recorded in Volume 280, Page 81 of the Deed Records, Van Zandt County, Texas.

Tract 10: 33.10 acres of land, more or less, located in the J.M. Martinez Survey, A-499 and the James Martin Survey, A-508, Van Zandt County, Texas, being all that certain 36.80 acres of land, more or less, and being more particularly described as the "SECOND TRACT" in that certain Warranty Deed with Vendor's Lien dated March 11, 1940, from W.R.

Pounders and wife, Nellie Pounders to Clara A. Earle, and recorded in Volume 280, Page 81 of the Deed Records, Van Zandt County, Texas;

LESS AND EXCEPT 2.00 acres of land, more or less, located in the J.M. Martinez Survey, A-499, and being more particularly described in that certain Warranty Deed dated May 25, 1971, from Clara A. Earle, acting by and through her co-attorneys in fact, Rosellen Blackburn and Nena Elizabeth Jenkins to Larry M. Stone, and recorded in Volume 761, Page 651 of the Deed Records, Van Zandt County, Texas;

FURTHER LESS AND EXCEPT 1.70 acres of land, more or less, located in the J.M. Martinez Survey, A-499, and being more particularly described in that certain Warranty Deed dated September 15, 1972, from Clara A. Earle, acting by and through her co-attorneys in fact, Rosellen Blackburn and Nena Elizabeth Jenkins to Raymond Stone, and recorded in Volume 789, Page 410 of the Deed Records, Van Zandt County, Texas;

LEAVING 33.10 acres of land, more or less, described herein.

Tract 11: 68.80 acres of land, more or less, located in the James Martin Survey, A-508, Van Zandt County, Texas, and being more particularly described as the "FIRST TRACT" in that certain Warranty Deed dated May 17, 1940, from Ralph Mickler and wife, Annabel Mickler to Clara A. Earle, and recorded in Volume 280, Page 346 of the Deed Records, Van Zandt County, Texas.

Tract 12: 7.33 acres of land, more or less, located in the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described in that certain Warranty Deed dated May 4, 1940, from William M. Garland to Clara A. Earle, and recorded in Volume 282, Page 39 of the Deed Records, Van Zandt County, Texas.

Tract 13: 11.20 acres of land, more or less, located in the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described in that certain Warranty Deed dated February 10, 1941, from L.T. Davenport to Clara A. Earle, and recorded in Volume 286, Page 614 of the Deed Records, Van Zandt County, Texas.

Tract 14: 28.33 acres of land, more or less, located in the J.M. Martinez Survey, A-499, Van Zandt County, Texas, and being more particularly described in that certain Warranty Deed with Vendor's Lien dated July 20, 1939, from Bettie Ingram to Clara A. Earle, and recorded in Volume 274, Page 205 of the Deed Records, Van Zandt County, Texas.

Tract 15: 223.46 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas, being all that certain 230.89 acres of land, more or less, and being more particularly described in that certain Warranty Deed with Vendor's Lien dated September 12, 1945, from Ralph S. Johnson and wife, Julia F. Johnson to Clara A. Earle, and recorded in Volume 295, Page 433 of the Deed Records, Henderson County, Texas;

LESS AND EXCEPT 7.43 acres of land, more or less, and being more particularly described in that certain Warranty Deed dated May 25, 1971, from Clara A. Earle to Gerald Rumbo, and recorded in Volume 592, Page 166 of the Deed Records, Henderson County, Texas;

LEAVING 223.46 acres of land, more or less, described herein.

Tract 16: 117.68 acres of land, more or less, located in the J.M. Martinez Survey, A-492, Henderson County, Texas, and being more particularly described in that certain Warranty Deed dated August 19, 1948, from Jefferson Standard Life Insurance Company to Clara A. Earle, and recorded in Volume 337, Page 405 of the Deed Records, Henderson County, Texas.

SIGNED FOR IDENTIFICATION:

Susan E. Downer