ARTICLE 8 – LESSEE REPORTING

EXISTING LEASE LANGUAGE

11. Upon request by Lessor, Lessee shall furnish Lessor any or all of the following types of data relating to wells drilled on the leased premises or lands pooled therewith: (1) all wire line surveys in open or cased holes, including, but not limited to, all electrical and radio activity logs, porosity logs of all types and directional surveys; (2) core descriptions of both sidewall samples and conventional cores; (3) drill stem and production test data; (4) daily drilling reports to be supplied weekly; and (5) production data, current and cumulative, including oil, gas and water production, surface and subsurface pressures. Lessee shall also furnish Lessor with any other information and data requested by Lessor to keep Lessor fully informed that Lessee is complying with the provisions of this Lease in good faith, and developing and operating the leased premises as a reasonably prudent operator for the mutual benefit of Lessor and Lessee. Any information furnished by lessee to Lessor or otherwise examined and studied by Lessor shall be retained in confidence. Nothing in this Article shall require that Lessee furnish or permit inspection of any interpretation of any of the types of data referred to above, and nothing herein shall be construed as requiring Lessee to secure any such data solely for the purposes of this Article. Lessor’s representative shall have access at all reasonable times to examine and inspect Lessee’s records and operations pertaining to the leased premises or lands pooled therewith.

AUGUST DRAFT LANGUAGE

(A) Lessee shall furnish Lessor, upon request, all of the following types of well and survey data in Lessee’s possession, or reasonably accessible to Lessee in connection with this Lease including, but not limited to: (1) all wire line surveys in open or cased holes including, but not limited to electrical and radioactivity logs, porosity logs of all types and dip-meters, with all such logs to be provided, in standard fanfold paper format at scales of 1 inch to 100 feet and 5 inches to 100 feet, digital image files in TIF and PDF formats, and composite digital curve data in LAS (Log ASCII Standard) format or other format requested by Lessor if maintained by Lessee; (2) directional surveys; (3) mud logs and core descriptions of both sidewall samples and conventional cores; (4) drill stem and production test data; (5) daily drilling reports (to be supplied weekly); and (6) production data, current and cumulative, including oil, gas and water production, surface and subsurface pressures (collectively “Data”).

Upon request, Lessee also shall furnish Lessor with any other information and data in Lessee’s possession or reasonably available to Lessee in order to keep Lessor fully informed of Lessee’s good faith compliance with the provisions of this Lease and continuing development of and operations on the Leased Premises. This information together with the Data shall be referred as to the “Records”.

Notwithstanding anything herein to the contrary, Lessee’s obligation to provide such information or data is limited to the format actually used by Lessee or reasonably
available to Lessee. Furthermore, to the extent allowed by law, Lessor agrees to keep confidential any such Records not already part of the public domain.

(B) Nothing in this Article shall require Lessee to furnish or permit inspection of Lessee’s interpretation of the types of data referred to above, and nothing herein shall be construed as requiring Lessee to secure any such data solely for the purpose of this Article. Lessor’s representatives shall have access, at reasonable times and intervals, to examine and inspect Lessee’s Records and operations being conducted on the Leased Premises or lands pooled or unitized with any or all portions thereof. To the extent allowed by law, Lessor shall keep confidential any information (including Records) not part of the public domain.

(C) Failure of Lessee, after notice, to satisfy the requirements of this Article shall subject Lessee to liquidated damages in the amount of One Hundred ($100.00) Dollars per day for each day of non-compliance, commencing on the thirty-first (31st) day after receipt of notice. If Lessee satisfies such requirements within thirty (30) days after its receipt of such notice, then no damages are due.

PROPOSED RE-WRITE (TRACK CHANGES)

(A) Lessee shall furnish Lessor, upon request, all of the following types of well and survey data in Lessee’s possession, or reasonably available to Lessee relating to the leased premises or lands pooled therewith in connection with this Lease including, but not limited to: (1) all wire line surveys and all (open and cased hole) logs run in the well in paper and digital formats to be determined by Lessor; in open or cased holes including, but not limited to electrical and radioactivity logs, porosity logs of all types and diameters, with all such logs to be provided, in standard fanfold paper format at scales of 1 inch to 100 feet and 5 inches to 100 feet, digital image files in TIF and PDF formats, and composite digital curve data in LAS (Log ASCII Standard) format or other format requested by Lessor if maintained by Lessee; (2) directional surveys; (3) mud logs and core descriptions of both sidewall samples and conventional cores; (4) drill stem and production test data; (5) daily drilling reports (to be supplied weekly); and (6) production data, current and cumulative, including oil, gas and water production, surface and subsurface pressures (collectively “Data”).

Upon request, Lessee also shall furnish Lessor with any other information and data in Lessee’s possession or reasonably available to Lessee in order to keep Lessor fully informed of Lessee’s good faith compliance with the provisions of this Lease and continuing development of and operations on the Leased Premises. This information together with the Data shall be referred as to the “Records.”

Notwithstanding anything herein to the contrary, Lessee’s obligation to provide such information or data is limited to the format actually used by Lessee or reasonably available to Lessee. Furthermore, to the extent allowed by law, Lessor agrees to keep confidential any information such Records not already part of the public domain.
(B) Nothing in this Article shall require Lessee to furnish or permit inspection of Lessee’s interpretation of the types of data referred to above, and nothing herein shall be construed as requiring Lessee to secure any such data solely for the purpose of this Article. Lessor’s representatives shall have access, at reasonable times and intervals, to examine and inspect Lessee’s information and operations being conducted on the Leased Premises or lands pooled or unitized with any or all portions thereof. To the extent allowed by law, Lessor shall keep confidential any information (including Records) not part of the public domain.

(C) Failure of Lessee, after notice, to satisfy the requirements of this Article shall subject Lessee to liquidated damages in the amount of One Hundred ($100.00) Dollars per day for each day of non-compliance, commencing on the thirty-first (31st) day after receipt of notice. If Lessee satisfies such requirements within thirty (30) days after its receipt of such notice, then no damages are due.

PROPOSED RE-WRITE (CLEAN VERSION)

(A) Lessee shall furnish Lessor, upon request, well and survey data reasonably available to Lessee relating to the leased premises or lands pooled therewith including, but not limited to: (1) all wire line surveys and all (open and cased hole) logs run in the well in paper and digital formats to be determined by Lessor; (2) directional surveys; (3) mud logs and core descriptions of both sidewall samples and conventional cores; (4) drill stem and production test data; (5) daily drilling reports (to be supplied weekly); and (6) production data, current and cumulative, including oil, gas and water production, surface and subsurface pressures.

Upon request, Lessee also shall furnish Lessor with any other information reasonably available to Lessee to keep Lessor informed of Lessee’s compliance with the provisions of this Lease and operations on the Leased Premises.

To the extent allowed by law, Lessor agrees to keep confidential any information not already part of the public domain.

(B) Nothing in this Article shall require Lessee to furnish or permit inspection of Lessee’s interpretation of the information referred to above. Lessor’s representatives shall have access, at reasonable times and intervals, to examine and inspect Lessee’s information and operations being conducted on the Leased Premises or lands pooled or unitized.