

The Board of Commissioners of Belmont County, Ohio, met this day in regular session. Present: Josh Meyer, Jerry Echemann and J. P. Dutton, Commissioners and Jayne Long, Clerk of the Board.

MEETINGS ARE NOW BEING RECORDED
ALL DISCUSSIONS ARE SUMMARIZED. FOR COMPLETE PROCEEDINGS
PLEASE SEE CORRESPONDING CD FOR THIS MEETING DAY.

IN THE MATTER OF APPROVING RECAPITULATION OF VOUCHERS FOR THE VARIOUS FUNDS

Motion made by Mr. Meyer, seconded by Mr. Echemann to approve and sign all bills that have been certified in the Auditor's office and considered by the Board. It is hereby ordered that the County Auditor issue his warrant on the County Treasurer in payment of the bills allowed:

IN THE TOTAL AMOUNT OF \$1,016,458.63

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF TRANSFERS WITHIN FUND

Motion made by Mr. Dutton, seconded by Mr. Meyer to approve the following transfers within fund for the following funds:

A00 GENERAL FUND

FROM	TO	AMOUNT
E-0131-A006-A08.000 Food	E-0131-A006-A25.000 Housing of Prisoners	\$26,895.00

H08 WIA AREA 16 FUND/BCDJFS

FROM	TO	AMOUNT
E-2610-H008-H03.000 Harrison Co.	E-2610-H008-H21.000 Harrison Co. Flood	\$4,438.06

Upon roll call the vote was as follows:

Mr. Dutton	Yes
Mr. Meyer	Yes
Mr. Echemann	Yes

IN THE MATTER OF TRANSFERS BETWEEN FUND

Motion made by Mr. Dutton, seconded by Mr. Meyer to approve the following transfers between funds as follows:

M78 TITLE IV-E REIMBURSEMENT AND THE A00 GENERAL FUND

FROM	TO	AMOUNT
E-0400-M078-M07.074 Transfers Out	R-0040-A000-A47.574 Transfers In	\$2,076.60

Upon roll call the vote was as follows:

Mr. Dutton	Yes
Mr. Meyer	Yes
Mr. Echemann	Yes

IN THE MATTER OF ADDITIONAL APPROPRIATIONS

Motion made by Mr. Dutton, seconded by Mr. Meyer to make the following additional appropriations, in accordance with the Official Certificate of Estimated Resources as approved by the Budget Commission, under the following meeting dates:

****JANUARY 02, 2019****

N59 CAPITAL PROJECTS-SENIOR CENTERS

E-9059-N059-N08.000	Other Expenses	\$33,412.00
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Y21 UNCLAIMED MONIES

E-9821-Y021-Y01.000	Unclaimed Money	\$50,000.00
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****MARCH 27, 2019****

A00 GENERAL FUND

E-0051-A001-A51.000	Oil and Gas	\$252,186.28
E-0057-A006-F06.011	Veterinary Services	\$1,866.42
E-0082-A002-C38.000	Other Expenses	\$2,076.60
E-0181-A003-A06.011	Contract Services	\$563,734.00

E10 911 FUND

E-2200-E010-E07.000	Other Expenses	\$2,174.70
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E11 9-1-1 WIRELESS

E-2301-E011-E01.011	Contract Services	\$18,651.95
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L01 SOIL CONSERVATION/BSWCD

E-1810-L001-L01.002	Salaries	\$6,003.00
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W80 PROSECUTORS-VICTIM PROGRAM

E-1511-W080-P01.002	Salary	\$2,186.38
E-1511-W080-P05.003	PERS	\$560.00
E-1511-W080-P07.006	Hospitalization	\$2,186.38
E-1511-W080-P08.005	Medicare	\$200.00
E-1511-W080-P15.000	Rent	\$608.00

SHERIFF/VARIOUS

E-0131-A006-A09.000	Medical	\$873.32
E-0131-A006-A23.000	Background	\$13.00
E-0131-A006-A24.000	E-SORN	\$115.00
E-5100-S000-S01.010	Commissary	\$16,782.57
E-5101-S001-S06.000	CCW License	\$923.00
E-5101-S001-S07.012	CCW Equipment	\$1,650.00
E-9710-U010-U06.000	Reserve	\$236.12

Upon roll call the vote was as follows:

Mr. Dutton	Yes
Mr. Meyer	Yes
Mr. Echemann	Yes

IN THE MATTER OF REQUEST FOR CERTIFICATION OF MONIES BY THE BUDGET COMMISSION

Motion made by Mr. Meyer, seconded by Mr. Echemann to request the Belmont County Budget Commission certify the following monies.

March 27, 2019

GENERAL FUND/REIMBURSEMENT FROM CAT STRAY SHUN-\$1,866.42 deposited into R-0057-A006-A05.500 Animal Shelter Reimbursement Vet Bills 03/15/19.

OIL & GAS RECEIPTS MARCH 2019/GENERAL FUND-\$252,186.28 in Oil and Gas receipts deposited into R-0050-A000-A02.500 on various dates in March 2019.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF APPROVING THEN AND NOW CERTIFICATE/AUDITOR'S

Motion made by Mr. Meyer, seconded by Mr. Echemann to execute payment of Then and Now Certification dated March 27, 2019, presented by the County Auditor pursuant to O.R.C. 5705.41(d) 1, and authorizing the drawing of warrant(s) in payment of amounts due upon contract to order.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF GRANTING PERMISSION FOR COUNTY EMPLOYEES TO TRAVEL

Motion made by Mr. Meyer, seconded by Mr. Echemann granting permission for county employees to travel as follows:

COURT OF COMMON PLEASE/PROBATE & JUVENILE DIVISION-Deputy Clerks to Columbus, OH, on April 17-18, 2019, to attend training offered by the Ohio Supreme Court on Essential Skills for court Personnel.

DJFS-Michael Schlanz to Perrysville, OH, on April 25-26, 2019, to attend the Ohio Workforce Leadership Forum. A county vehicle will be used for travel. Estimated expenses: \$351.30

SENIORS-Donna Steadman-Moundsville, WV, April 2, 9, 16, 23 & 30, 2019-senior outing to Four Seasons Pool. Tish Kinney-Amish Country April 11, 2019, senior outing. Denise Starr, Wheeling, WV, April 22, 2019, a senior outing. Daisy Braun, Wheeling, WV, April 23, 2019, senior outing to Coleman's Fish Market & Jebbia's. Donna Steadman-Sugarcreek, OH, April 26, 2019, senior outing. Susan Hines to Berlin and Walnut Creek, OH, on April 26, 2019, for a senior outing. County vehicles will be used for travel.

WATER & SEWER DISTRICT-Dan Farmer, Dale Jendrusik, Michael Reed and Gary Zavatsky to Cambridge, OH, on April 25, 2019, for the SE Spring Training Class. A county vehicle will be used for travel.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF APPROVING MINUTES OF REGULAR BOARD OF COMMISSIONERS MEETING

Motion made by Mr. Meyer, seconded by Mr. Echemann to approve the minutes of the Belmont County Board of Commissioners regular meeting of March 20, 2019.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF AWARDING THE BID FOR PHILLIPS, MCKELVEY AND MAYNARD WATER TANKS PROJECT TO CLEARCREEK COATINGS, LTD.

Motion made by Mr. Meyer, seconded by Mr. Echemann to approve and sign the Notice of Award for the Phillips, McKelvey and Maynard Water Tanks project to the low bidder, Clearcreek Coatings, Ltd., in the amount of \$714,755.00, based upon the recommendation of Jeff Vaughn, Project Engineer.

NOTICE OF AWARD

TO: Clearcreek Coatings, Ltd.
1900 N. Business Way
New Carlisle, OH 45344

Project Description: **Contract No. 1-Water Storage Tanks Recoating**

The owner has considered the Bid submitted by you for the above described Work in response to its Advertisement for Bids.

You are hereby notified that your Bid has been accepted for items in the amount of **\$714,755**.

If you fail to execute said Agreement within fifteen days from the date of this Notice, said Owner will be entitled to consider all your rights arising out of the Owner's acceptance of your Bid as abandoned and as a forfeiture of your Bid Bond. The Owner will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this Notice of Award to the Owner.

Dated this 27th day of March, 2019.

Belmont County Commission
Owner
By: Josh Meyer /s/
By: Jerry Echemann /s/
By: J. P. Dutton /s/

Acceptance of Notice

Receipt of the above Notice of Award is hereby acknowledged

by _____
this the _____ day of _____, _____.
By: _____
Title: _____

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF ENTERING INTO AN OIL AND GAS LEASE WITH ASCENT RESOURCES-UTICA, LLC

Motion made by Mr. Meyer, seconded by Mr. Echemann to enter into an Oil and Gas Lease by and between the Sanitary Sewer District No. 1 of Belmont County, Ohio, aka Belmont County Sewer Authority Number One, by and through the Belmont County Board of Commissioners and Ascent Resources-Utica, LLC, effective March 27, 2019, in the amount of \$5,750 per net leasehold acre for 0.350915 acres, located in Colerain and Pultney Township, for a five-year term, 20% royalty. Total Payment Amount: \$2,017.76.

**PAID-UP
OIL & GAS LEASE**

Lease No. _____

This Lease made this 27th day of March 2019, by and between:

The Sanitary Sewer District No. 1 of Belmont County, Ohio, aka Belmont County Sewer Authority Number One, by and through The Belmont County Board of Commissioners, By, Josh Meyer, as President, Jerry Echemann, as Vice-President, and J.P. Dutton, as Commissioner of 101 W Main Street, St. Clairsville, OH 43950, hereinafter collectively called "Lessor," and Ascent Resources – Utica, LLC an Oklahoma Limited Liability Company, whose address is P.O. Box 13678, Oklahoma City, OK 73113, 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, or from other lands, using methods and techniques which are not restricted to current technology, including, without limitation, 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 over and across the Leasehold for use in development of the Leasehold or other lands, electric power and telephone facilities, water impoundments, 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 other lands across the Leasehold, to use oil, gas, and nondomestic 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 of the Leasehold for the drilling of a wellbore(s) for use in development of the Leasehold or other lands.

DESCRIPTION. The Leasehold is located in the Townships of Colerain, and Pultney, in the County of Belmont, in the State of Ohio, and described as follows:

Township: 06; Range: 03; Section: 10; Tax Parcel No.: 54-60002.000, Containing 0.114784 acres

Township: 06; Range: 03; Section: 10; Tax Parcel No.: 54-60003.000, Containing 0.063131 acres

Township: 05; Range: 03; Section: 06; Tax Parcel No.: 26-03114.000, Containing 0.173000 acres

and described for the purposes of this agreement as containing a total of 0.350915 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 Five (5) years from 12:00 A.M. March 27, 2019 (effective date) to 11:59 P.M. March 26, 2024 (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.

EXTENSION OF PRIMARY TERM. Lessee has the option to extend the primary term of this Lease for one additional term of Five (5) years from the expiration of the primary term of this Lease; said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor or to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease 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:** For all oil and gas substances that are produced and sold from the lease premises, Lessor shall receive as its royalty **TWENTY (20.00%)** percent of the sales proceeds actually received by Lessee from the sale of such production, less this same percentage share of all post production costs, as defined below, and less this same percentage share of all production, severance and ad valorem taxes. As used in this provision, post production costs shall mean (i) all losses of produced volumes (whether by use as fuel, line loss, flaring, venting or otherwise) and (ii) all costs actually incurred by Lessee from and after the wellhead to the point of sale,

including, without limitation, all gathering, dehydration, compression, treatment, processing, marketing and transportation costs incurred in connection with the sale of such production. For royalty calculation purposes, Lessee shall never be required to adjust the sales proceeds to account for the purchaser's costs or charges downstream from the point of sale. 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 (including, without limitation, 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, after the primary term, 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 reestablish 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. Lessor represents and warrants that there is no existing oil and gas lease which is presently in effect covering the Leasehold.

(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, shut-in royalties and other payments 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 to create 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.

OPERATIONS. If at the expiration of the primary term, oil or gas is not being produced on the leased premises or lands pooled or unitized therewith, but Lessee has commenced operations on the leased premises or acreage pooled or unitized therewith in search of oil, gas, or their constituents or has 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 operations on any additional well, are prosecuted with no cessation of more than one hundred eighty (180) consecutive days or such other time as reasonably necessary so long as Lessee conducts such operations in good faith and with due diligence and, if they result in the production of oil or gas, so long thereafter as oil or gas is produced from the leased premises, or upon lands pooled or unitized therewith. Furthermore, if on or after the expiration of the primary term Lessee should drill a dry hole or holes thereon or, if after the discovery of oil or gas, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations on the leased premises or lands pooled or unitized therewith in search of oil, gas, or their constituents within one hundred eighty (180) days from the date of completion of a dry hole or cessation of production or such other time as reasonably necessary so long as Lessee conducts such operations in good faith and with due diligence.

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

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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 reenter 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 which will take effect upon expiration of this 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 consents, affidavits, ratifications, amendments, permits and other instruments as Lessee may request to carry out the purpose of this lease, including without limitation, applications necessary to obtain driveway entrance permits, and approvals of drilling or production units which Lessee may seek to form pursuant to governmental authorization.

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.

FORCE MAJEURE. All express or implied covenants of this Lease shall be subject to all applicable laws, rules, regulations and orders. When drilling, reworking, production or other operations hereunder, or Lessee's fulfillment of its obligations hereunder are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, other Acts of God, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate, in whole or in part, because of such prevention or delay, and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable in damages for breach of any express or implied covenants of this Lease for failure to comply therewith, if compliance is prevented by, or failure is the result of any applicable laws, rules, regulations or orders or operation of force majeure. If this Lease is the subject matter of any lawsuit, arbitration proceeding, or other action, then this Lease shall not expire during the pendency of such lawsuit, arbitration proceeding, or other action, or any appeal thereof, and the period of the lawsuit, arbitration proceeding, or other action, and any appeal thereof, shall be added to the term of this Lease.

SEVERABILITY. This Lease is intended to comply with all applicable laws, rules, regulations, ordinances and governmental orders. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall survive and continue in full force and effect to the maximum extent allowed by law. If a court of competent jurisdiction holds any provision of this Lease invalid, void, or unenforceable under applicable law, the court shall give the provision the greatest effect possible under the law and modify the provision so as to conform to applicable law if that can be done in a manner which does not frustrate the purpose of this Lease.

COUNTERPARTS. This Lease may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Lease and all of which, when taken together, will be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, Lessor hereunto sets hand and seal.

Lessor

The Sanitary Sewer District No. 1 of Belmont County, Ohio, aka Belmont County Sewer Authority Number One, by and through The Belmont County Board of Commissioners

Josh Meyer /s/

By: Josh Meyer, as President

Jerry Echemann /s/

By: Jerry Echemann, as Vice-President

J. P. Dutton /s/

By: J.P. Dutton, as Commissioner

APPROVED AS TO FORM:

David K. Liberati /s/ Assist. P.A.

PROSECUTING ATTORNEY

EXHIBIT "A"

This Exhibit "A" is attached to and made part of that certain Paid Up Oil and Gas Lease dated March 27, 2019, by and between Belmont County Sanitary Sewer District No. 2, by and through The Belmont County Board of Commissioners, By, Josh Meyer, as President, Jerry Echemann, as Vice-President, and J.P. Dutton, as Commissioner, whose address is 101 W Main Street, St. Clairsville, OH 43950, hereinafter, as Lessor and Ascent Resources – Utica, LLC an Oklahoma Limited Liability Company, whose address is P.O. Box 13678, Oklahoma City, OK 73113, as Lessee, and is made a part of said lease as if incorporated therein.

In the event of a conflict or inconsistency between the printed terms of this Lease and these added terms of this Lease, the added terms shall control and be deemed to supersede the printed terms of the Lease.

1. **Leasehold Identification** This Lease only covers the specific parcels described and identified in the Lease and does not include any adjacent or contiguous parcels, in which Lessor has or may claim an ownership interest. Any acreage discrepancies may be resolved by survey. If a survey or an examination of real property records should reveal the existence of additional acreage within the parcels identified in the Lease, the Lease will include such acreage and Lessee shall pay Lessor a bonus payment thereon.
2. **Title Curative** Lessor agrees, at no cost to Lessor, to execute consents, affidavits, ratifications, amendments, permits and other instruments as Lessee may request to carry out the purpose of this lease, including without limitation, applications necessary to obtain driveway entrance permits, and approvals of drilling or production units which Lessee may seek to for pursuant to governmental authorization.
3. **Hazardous Materials** Lessee shall not use, dispose of or release on the Leasehold or permit to exist or to be used, disposed of or released on the Leasehold as a result of its operations any substances (other Leasehold) which are defined as "hazardous materials," "toxic substances" or "solid wastes" in federal, state or local laws, statutes or ordinances. Should any pollutant, hazardous material, toxic substances, contaminated waste or solid waste be accidentally released on the Leasehold, Lessee shall notify Lessor immediately after notifying the applicable governmental body of such event. Lessee shall be responsible for and timely pay all costs of clean-up, remediation, and other costs related to and arising from the event, including but not limited to penalties.
4. **Water and Waste** Lessee shall not use surface or subsurface water from the Leased Premises. Lessee shall not dispose of any waste materials or waste water on or below the surface of the Leased Premises or any lands unitized therewith. Lessee shall take prompt action as may be reasonably required to remedy any contamination, pollution, or loss of water arising out of Lessee's operations, including any contamination of Lessor's spring and/or well water. In addition to any other remedies or damages, to which it may be entitled, Lessor may recover the cost of extending a water service line, including any tap or connection fee, from Lessor's residence to the public utility water main presently serving or later extended to serve the area where the Leased Premises is located.
5. **No Surface Rights** Lessor does not grant and Lessee does not acquire any surface rights. Lessee shall not conduct any Surface Operations on, or use the surface of, the Leased Premises except where and as agreed to in a separate, written agreement signed by the parties. Surface Operations shall include by way of example and not of limitation any use of the Leased Premises for a well site, staging area, surface or subsurface waterlines, surface or subsurface pipelines, roads, water impoundments, telephone, electric power lines, structures, machinery, gates, meters, regulators, tools, appliances, materials and other equipment, or as a site for equipment, tanks, tank batteries, separators, compressors, dehydrators, gas treatment facilities, processing facilities, or other facilities.
6. **No Warranty** This Lease is made without covenant or warranty of title of any kind whatsoever, express or implied. Lessee accepts all rights and interests granted herein "AS IS" without warranty of any kind, subject to all title exceptions and any third-party rights, interests, and claims, of which the Lessee has actual or record notice. All warranties, express and implied, including all warranties of title and quiet enjoyment, are disclaimed. With respect to payments made, Lessee shall have no recourse against the Lessor in the event of any failure of, or defect in, title, nor shall any of the upfront, bonus consideration or any paid royalties be refunded to Lessee. All payments are made at Lessee's risk. Lessee shall have no right to recoup overpayments or offset overpayments against future payments. Lessee shall have no right to reduce payments to Lessor due to a claim or cloud on title unless and until the claim has been determined by final decree of a court of competent jurisdiction or final settlement.
7. **No Storage Rights or Disposal Wells** Lessee and Lessor covenant and agree as follows: Lessee shall not use the leased premises (i) for the storage of natural gas, (ii) for carbon sequestration purposes, or (iii) for the disposal of waste material. The Lessor does not grant and Lessee does not acquire any rights to include any part of the leased premises in any underground gas storage reservoirs, and Lessee shall have no rights to intentionally inject gas, whether the sources is from the leased premises or other lands, into any strata formation underlying the leased premises as storage for future extraction, use, or sale. Lessor does not grant and Lessee does not acquire any right to (i) drill a disposal well of any kind or (ii) use any portion Leased Premises for the disposal of any type of foreign matter or material or any drainage, saltwater, brine, or waste, including without limitation any industrial, municipal, hazardous, or radioactive waste.
8. **Compliance** Lessee's operations on said land shall comply with all applicable federal and state regulations.
9. **Indemnity** Lessee agrees it will protect and save and keep Lessor harmless and indemnified against and from any penalty or damage or charge imposed for any violation of any laws or ordinances, whether occasioned by the neglect of lessee or those holding under Lessee, and Lessee will at all times protect, indemnify and save and keep harmless the Lessor against and from any and all loss, damage or expense, including any injury to any person or property whomsoever or whatsoever arising out of or caused by any negligence of the Lessee or those holding under Lessee.
10. **Prudent Operator** Lessee will conduct all operations as a prudent operator; and will attempt to secure a market for production from a well.
11. **Insurance** Lessee shall take out and maintain throughout the term of this Lease insurance of the following type and amounts:
 - a. Workers Compensations Insurance in the form prescribed by laws of the state of Ohio for all Lessees' employees, or other labor employed by the Lessee.
 - b. General Liability Insurance (Bodily Injury and Property Damage) having minimum limits of \$1,000,000 per occurrence/\$10,000 annual aggregate for bodily injury and property damage. Such insurance shall include products/completed operations and personal injury for all work performed on the Leased Premises. An additional liability umbrella policy shall be required for additional \$5,000,000 in coverage.
 - c. Automobile Vehicle Liability Coverage covering all owned, non-owned, hired and rented automotive equipment used in the performance of work on Leasehold, It shall be an amount not less than \$1,000,000 on a combined single limit basis for bodily injury and property damage liability.
Upon written request by Lessor, Lessee shall provide Lessor with a certificate of insurance evidencing the insurance described above.
12. **Shut-In Clause** If after expiration of the Primary Term, 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 leased premises or lands pooled/unitized therewith, Lessee shall thereafter, as royalty for constructive production, pay an annual Shut-In Royalty in the amount of Twenty-Five Dollars (\$25) per net mineral acre until such time as production is reestablished (or Lessee surrenders the Lease) and this Lease shall remain in full force and effect. During any shut-in period, Lessee shall have the right to reword, stimulate, or deepen a well on leased premises or to drill a new well on the leased premises in an effort to re-establish production from the only producing well on the leased premises is interrupted for a period of less than (12) months, this Lease shall remain in full force and effect without payment of royalty or Shut-in Royalty; however this lease may be released if such well remains Shut-In for a period of more than thirty-six (36) consecutive months or a cumulative total of sixty (60) months. If said Shut-In limitations are not reached within ten (10) years from the expiration of the primary term, then said limitations are to reset, in which another ten (10) year period would begin, in which said limitations would apply for that period.
13. **Horizontal Pugh Clause** In the events any pool of leases or unit is created by the Lessee, or its successors or assigned, which includes all or a part of the Leasehold, this Lease shall expire upon the expiration of the primary term of this Lease or any extension thereof, insofar, but only insofar, as to any lands comprising the Leasehold that are not included in one or more of such pools or units. Specifically, this Lease shall automatically terminate after the expiration of the primary term or extension thereof insofar as to all acres in the Leasehold not then contained within a pooled unit unless otherwise maintained by the provisions of this Lease. Upon request be Lessor, Lessee shall execute a release of this Lease as to such acreage released under this horizontal Pugh clause.

14. **Vertical Pugh Clause** Despite anything to the contrary set forth in this Lease, at the end of the primary term of this Lease, or any extension or continuation thereof, this Lease shall terminate as to the lands covered by this Lease, insofar, but only insofar, as to all strats, depths, and horizons which are below 200 feet below the stratigraphic equivalent of the base of the deepest formation from which production of oil or gas (including other hydrocarbon substances and related gases) in paying quantities is then being maintained (or in the case of a shut-in well, can be maintained pursuant to the terms and provisions of this Lease) from a well drilled on, under, or through the lands covered by this Lease or any lands pooled or unitized therewith.
15. The Lease term shall be subject to Ohio Revised Code 307.11 as may be modified or amended.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF ENTERING INTO AN OIL AND GAS LEASE WITH ASCENT RESOURCES-UTICA, LLC

Motion made by Mr. Meyer, seconded by Mr. Echemann to enter into an Oil and Gas Lease by and between the Belmont County Sanitary Sewer District No. 2, by and through the Belmont County Board of Commissioners and Ascent Resources-Utica, LLC, effective March 27, 2019, in the amount of \$5,750 per net leasehold acre for 1.674 acres, located in Pease and Richland Township, for a five-year term, 20% royalty. Total Payment Amount: \$9,625.50.

PAID-UP

OIL & GAS LEASE Lease No. _____

This Lease made this 27th day of March 2019, by and between:

Belmont County Sanitary Sewer District No. 2, by and through The Belmont County Board of Commissioners, By, Josh Meyer, as President, Jerry Echemann, as Vice-President, and J.P. Dutton, as Commissioner of 101 W Main Street, St. Clairsville, OH 43950, hereinafter collectively called "Lessor," and **Ascent Resources – Utica, LLC an Oklahoma Limited Liability Company,** whose address is **P.O. Box 13678, Oklahoma City, OK 73113,** 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, or from other lands, using methods and techniques which are not restricted to current technology, including, without limitation, 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 over and across the Leasehold for use in development of the Leasehold or other lands, electric power and telephone facilities, water impoundments, 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 other lands across the Leasehold, to use oil, gas, and nondomestic 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 of the Leasehold for the drilling of a wellbore(s) for use in development of the Leasehold or other lands.

DESCRIPTION. The Leasehold is located in the Townships of **Pease** and **Richland**, in the County of **Belmont**, in the State of Ohio, and described as follows:

Township: **06**; Range: **03**; Section: **09**; Tax Parcel No.: **56-60003.000** Containing **0.293000** acres

Township: **07**; Range: **04**; Section: **22**; Tax Parcel No.: **32-60007.002** Containing **1.381000** acres

and described for the purposes of this agreement as containing a total of **1.674000** 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 Five (5) years from 12:00 A.M. March 27, 2019 (effective date) to 11:59 P.M. March 26, 2024 (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.

EXTENSION OF PRIMARY TERM. Lessee has the option to extend the primary term of this Lease for one additional term of Five (5) years from the expiration of the primary term of this Lease; said extension to be under the same terms and conditions as contained in this Lease. Lessee may exercise this option to extend this Lease if on or before the expiration date of the primary term of this Lease, Lessee pays or tenders to the Lessor or to the Lessor's credit an amount equal to the initial consideration given for the execution hereof. Exercise of this option is at Lessee's sole discretion and may be invoked by Lessee where no other alternative of the Lease Term clause extends this Lease 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:** For all oil and gas substances that are produced and sold from the lease premises, Lessor shall receive as its royalty **TWENTY (20.00%)** percent of the sales proceeds actually received by Lessee from the sale of such production, less this same percentage share of all post production costs, as defined below, and less this same percentage share of all production, severance and ad valorem taxes. As used in this provision, post production costs shall mean (i) all losses of produced volumes (whether by use as fuel, line loss, flaring, venting or otherwise) and (ii) all costs actually incurred by Lessee from and after the wellhead to the point of sale, including, without limitation, all gathering, dehydration, compression, treatment, processing, marketing and transportation costs incurred in connection with the sale of such production. For royalty calculation purposes, Lessee shall never be required to adjust the sales proceeds to account for the purchaser's costs or charges downstream from the point of sale. 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 (including, without limitation, 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, after the primary term, 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 reestablish 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. Lessor represents and warrants that there is no existing oil and gas lease which is presently in effect covering the Leasehold.

(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, shut-in royalties and other payments 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 to create 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.

OPERATIONS. If at the expiration of the primary term, oil or gas is not being produced on the leased premises or lands pooled or unitized therewith, but Lessee has commenced operations on the leased premises or acreage pooled or unitized therewith in search of oil, gas, or their constituents or has 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 operations on any additional well, are prosecuted with no cessation of more than one

hundred eighty (180) consecutive days or such other time as reasonably necessary so long as Lessee conducts such operations in good faith and with due diligence and, if they result in the production of oil or gas, so long thereafter as oil or gas is produced from the leased premises, or upon lands pooled or unitized therewith. Furthermore, if on or after the expiration of the primary term Lessee should drill a dry hole or holes thereon or, if after the discovery of oil or gas, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations on the leased premises or lands pooled or unitized therewith in search of oil, gas, or their constituents within one hundred eighty (180) days from the date of completion of a dry hole or cessation of production or such other time as reasonably necessary so long as Lessee conducts such operations in good faith and with due diligence.

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 reenter 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 which will take effect upon expiration of this 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 consents, affidavits, ratifications, amendments, permits and other instruments as Lessee may request to carry out the purpose of this lease, including without limitation, applications necessary to obtain driveway entrance permits, and approvals of drilling or production units which Lessee may seek to form pursuant to governmental authorization.

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.

FORCE MAJEURE. All express or implied covenants of this Lease shall be subject to all applicable laws, rules, regulations and orders. When drilling, reworking, production or other operations hereunder, or Lessee's fulfillment of its obligations hereunder are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, other Acts of God, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate, in whole or in part, because of such prevention or delay, and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable in damages for breach of any express or implied covenants of this Lease for failure to comply therewith, if compliance is prevented by, or failure is the result of any applicable laws, rules, regulations or orders or operation of force majeure. If this Lease is the subject matter of any lawsuit, arbitration proceeding, or other action, then this Lease shall not expire during the pendency of such lawsuit, arbitration proceeding, or other action, or any appeal thereof, and the period of the lawsuit, arbitration proceeding, or other action, and any appeal thereof, shall be added to the term of this Lease.

SEVERABILITY. This Lease is intended to comply with all applicable laws, rules, regulations, ordinances and governmental orders. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall survive and continue in full force and effect to the maximum extent allowed by law. If a court of competent jurisdiction holds any provision of this Lease invalid, void, or unenforceable under applicable law, the court shall give the provision the greatest effect possible under the law and modify the provision so as to conform to applicable law if that can be done in a manner which does not frustrate the purpose of this Lease.

COUNTERPARTS. This Lease may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Lease and all of which, when taken together, will be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, Lessor hereunto sets hand and seal.

Lessor

Belmont County Sanitary Sewer District No. 2, by and through The Belmont County Board of Commissioners

Josh Meyer /s/

By: Josh Meyer, as President

Jerry Echemann /s/

By: Jerry Echemann, as Vice-President

J. P. Dutton /s/

By: J.P. Dutton, as Commissioner

APPROVED AS TO FORM:

David K. Liberati /s/ Assist. P.A.

PROSECUTING ATTORNEY

EXHIBIT "A"

This Exhibit "A" is attached to and made part of that certain Paid Up Oil and Gas Lease dated March 27, 2019, by and between **Belmont County Sanitary Sewer District No. 2, by and through The Belmont County Board of Commissioners, By, Josh Meyer, as President, Jerry Echemann, as Vice-President, and J.P. Dutton, as Commissioner**, whose address is **101 W Main Street, St. Clairsville, OH 43950**, hereinafter, as Lessor and **Ascent Resources – Utica, LLC an Oklahoma Limited Liability Company**, whose address is **P.O. Box 13678, Oklahoma City, OK 73113**, as Lessee, and is made a part of said lease as if incorporated therein.

In the event of a conflict or inconsistency between the printed terms of this Lease and these added terms of this Lease, the added terms shall control and be deemed to supersede the printed terms of the Lease.

1. **Leasehold Identification** This Lease only covers the specific parcels described and identified in the Lease and does not include any adjacent or contiguous parcels, in which Lessor has or may claim an ownership interest. Any acreage discrepancies may be resolved by survey. If a survey or an examination of real property records should reveal the existence of additional acreage within the parcels identified in the Lease, the Lease will include such acreage and Lessee shall pay Lessor a bonus payment thereon.
2. **Title Curative** Lessor agrees, at no cost to Lessor, to execute consents, affidavits, ratifications, amendments, permits and other instruments as Lessee may request to carry out the purpose of this lease, including without limitation, applications necessary to obtain driveway entrance permits, and approvals of drilling or production units which Lessee may seek to for pursuant to governmental authorization.
3. **Hazardous Materials** Lessee shall not use, dispose of or release on the Leasehold or permit to exist or to be used, disposed of or released on the Leasehold as a result of its operations any substances (other Leasehold) which are defined as "hazardous materials," "toxic substances" or "solid wastes" in federal, state or local laws, statutes or ordinances. Should any pollutant, hazardous material, toxic substances, contaminated waste or solid waste be accidentally released on the Leasehold, Lessee shall notify Lessor immediately after notifying the applicable governmental body of such event. Lessee shall be responsible for and timely pay all costs of clean-up, remediation, and other costs related to and arising from the event, including but not limited to penalties.
4. **Water and Waste** Lessee shall not use surface or subsurface water from the Leased Premises. Lessee shall not dispose of any waste materials or waste water on or below the surface of the Leased Premises or any lands unitized therewith. Lessee shall take prompt action as may be reasonably required to remedy any contamination, pollution, or loss of water arising out of Lessee's operations, including any contamination of Lessor's spring and/or well water. In addition to any other remedies or damages, to which it may be entitled, Lessor may recover the cost of extending a water service line, including any tap or connection fee, from Lessor's residence to the public utility water main presently serving or later extended to serve the area where the Leased Premises is located.
5. **No Surface Rights** Lessor does not grant and Lessee does not acquire any surface rights. Lessee shall not conduct any Surface Operations on, or use the surface of, the Leased Premises except where and as agreed to in a separate, written agreement signed by the parties. Surface Operations shall include by way of example and not of limitation any use of the Leased Premises for a well site, staging area, surface or subsurface waterlines, surface or subsurface pipelines, roads, water impoundments, telephone, electric power lines, structures, machinery, gates, meters, regulators, tools, appliances, materials and other equipment, or as a site for equipment, tanks, tank batteries, separators, compressors, dehydrators, gas treatment facilities, processing facilities, or other facilities.
6. **No Warranty** This Lease is made without covenant or warranty of title of any kind whatsoever, express or implied. Lessee accepts all rights and interests granted herein "AS IS" without warranty of any kind, subject to all title exceptions and any third-party rights, interests, and claims, of which the Lessee has actual or record notice. All warranties, express and implied, including all warranties of title and quiet enjoyment, are disclaimed. With respect to payments made, Lessee shall have no recourse against the Lessor in the event of any failure of, or defect in, title, none shall any of the upfront, bonus consideration or any paid royalties be refunded to Lessee. All payments are made at Lessee's risk. Lessee shall have no right to recoup overpayments or offset overpayments against future payments. Lessee shall have no right to reduce payments to Lessor due to a claim or cloud on title unless and until the claim has been determined by final decree of a court of competent jurisdiction or final settlement.
7. **No Storage Rights or Disposal Wells** Lessee and Lessor covenant and agree as follows: Lessee shall not use the leased premises (i) for the storage of natural gas, (ii) for carbon sequestration purposes, or (iii) for the disposal of waste material. The Lessor does not grant and Lessee does not acquire any rights to include any part of the leased premises in any underground gas storage reservoirs, and Lessee shall have no rights to intentionally inject gas, whether the sources is from the leased premises or other lands, into any strata formation underlying the leased premises as storage for future extraction, use, or sale. Lessor does not grant and Lessee does not acquire any right to (i) drill a disposal well of any kind or (ii) use any portion Leased Premises for the disposal of any type of foreign matter or material or any drainage, saltwater, brine, or waste, including without limitation any industrial, municipal, hazardous, or radioactive waste.
8. **Compliance** Lessee's operations on said land shall comply with all applicable federal and state regulations.
9. **Indemnity** Lessee agrees it will protect and save and keep Lessor harmless and indemnified against and from any penalty or damage or charge imposed for any violation of any laws or ordinances, whether occasioned by the neglect of lessee or those holding under Lessee, and Lessee will at all times protect, indemnify and save and keep harmless the Lessor against and from any and all loss, damage or expense, including any injury to any person or property whomsoever or whatsoever arising out of or caused by any negligence of the Lessee or those holding under Lessee.
10. **Prudent Operator** Lessee will conduct all operations as a prudent operator; and will attempt to secure a market for production from a well.
11. **Insurance** Lessee shall take out and maintain throughout the term of this Lease insurance of the following type and amounts:
 - a. Workers Compensations Insurance in the form prescribed by laws of the state of Ohio for all Lessees' employees, or other labor employed by the Lessee.
 - b. General Liability Insurance (Bodily Injury and Property Damage) having minimum limits of \$1,000,000 per occurrence/\$10,000 annual aggregate for bodily injury and property damage. Such insurance shall include products/completed operations and personal injury for all work performed on the Leased Premises. An additional liability umbrella policy shall be required for additional \$5,000,000 in coverage.
 - c. Automobile Vehicle Liability Coverage covering all owned, non-owned, hired and rented automotive equipment used in the performance of work on Leasehold. It shall be an amount not less than \$1,000,000 on a combined single limit basis for bodily injury and property damage liability.
Upon written request by Lessor, Lessee shall provide Lessor with a certificate of insurance evidencing the insurance described above.
12. **Shut-In Clause** If after expiration of the Primary Term, 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 leased premises or lands pooled/unitized therewith, Lessee shall

thereafter, as royalty for constructive production, pay an annual Shut-In Royalty in the amount of Twenty-Five Dollars (\$25) per net mineral acre until such time as production is reestablished (or Lessee surrenders the Lease) and this Lease shall remain in full force and effect. During any shut-in period, Lessee shall have the right to reword, stimulate, or deepen a well on leased premises or to drill a new well on the leased premises in an effort to re-establish production from the only producing well on the leased premises is interrupted for a period of less than (12) months, this Lease shall remain in full force and effect without payment of royalty or Shut-in Royalty; however this lease may be released if such well remains Shut-In for a period of more than thirty-six (36) consecutive months or a cumulative total of sixty (60) months. If said Shut-In limitations are not reached within ten (10) years from the expiration of the primary term, then said limitations are to reset, in which another ten (10) year period would begin, in which said limitations would apply for that period.

13. Horizontal Pugh Clause In the events any pool of leases or unit is created by the Lessee, or its successors or assigned, which includes all or a part of the Leasehold, this Lease shall expire upon the expiration of the primary term of this Lease or any extension thereof, insofar, but only insofar, as to any lands comprising the Leasehold that are not included in one or more of such pools or units. Specifically, this Lease shall automatically terminate after the expiration of the primary term or extension thereof insofar as to all acres in the Leasehold not then contained within a pooled unit unless otherwise maintained by the provisions of this Lease. Upon request be Lessor, Lessee shall execute a release of this Lease as to such acreage released under this horizontal Pugh clause.

14. Vertical Pugh Clause Despite anything to the contrary set forth in this Lease, at the end of the primary term of this Lease, or any extension or continuation thereof, this Lease shall terminate as to the lands covered by this Lease, insofar, but only insofar, as to all strats, depths, and horizons which are below 200 feet below the stratigraphic equivalent of the base of the deepest formation from which production of oil or gas (including other hydrocarbon substances and related gases) in paying quantities is then being maintained (or in the case of a shut-in well, can be maintained pursuant to the terms and provisions of this Lease) from a well drilled on, under, or through the lands covered by this Lease or any lands pooled or unitized therewith.

15. The Lease term shall be subject to Ohio Revised Code 307.11 as may be modified or amended.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF APPROVING THE PURCHASE OF THREE (3) TRUCKS FOR THE WATER & SEWER DISTRICT

Motion made by Mr. Meyer, seconded by Mr. Echemann to approve the purchase of two (2) 2019 F-350 pickup trucks and one (1) 2019 F-550 dump truck, for a total cost of \$127,913.02 through the State of Ohio Cooperative Purchasing Contract for the Belmont County Water & Sewer District, based upon the recommendation of Director Kelly Porter.

Note: These will be replacing existing fleet trucks and will be purchased with Water District Capital Improvement Funds.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF APPROVING THE SETTLEMENT AGREEMENT AND MUTUAL RELEASE BETWEEN VENDRICK CONSTRUCTION, INC AND BELMONT COUNTY COMMISSIONERS-SENIOR SERVICES OF BELMONT COUNTY

Motion made by Mr. Meyer, seconded by Mr. Echemann to approve and sign the Settlement Agreement and Mutual Release between VendRick Construction, Inc. and the Belmont County Commissioners – Senior Services of Belmont County regarding the Senior Services of Belmont County Community Building, Project No. 14-019.

SETTLEMENT AGREEMENT & MUTUAL RELEASE

This Settlement Agreement and Mutual Release (the “Agreement”), effective this 27th day of March, 2019 (the “Effective Date”), is between VendRick Construction, Inc. (“Vendrick”) and the Belmont County Commissioners – Senior Services of Belmont County (“Belmont County”), as a comprehensive settlement of claims on behalf of themselves, their agents employees, insurers and affiliated individuals and entities. The persons and entities comprising Vendrick and Belmont County are collectively referred to herein as the “Parties.”

RECITALS:

WHEREAS, Vendrick entered into a written contract (the “Contract”) dated August 26, 2015 with the Belmont County to serve as the general trades contractor on the construction project known as the Senior Services of Belmont County Community Building, Project No. 14-019 (the “Project”) in exchange for payment;

WHEREAS, on March 5, 2019, Vendrick filed an arbitration demand against Belmont County in an arbitration styled *VendRick Construction, Inc. v. Belmont County Commissioners*, before the American Arbitration Association, Case No. 01-19-0000-7101, seeking payment under the Contract for work performed in furtherance of the Project (the “Arbitration”);

WHEREAS, disputes exist between the Parties arising from and/or related to the Contract, and Project, including, without limitation, those asserted by Vendrick and Belmont County to date concerning default of payment, and defective, non-conforming, and/or incomplete work on the Project (the “Asserted Claims”);

WHEREAS, the Parties, and each of them, desire to resolve all disputes, claims, demands, causes of action, counterclaims, damages, and rights of relief between them arising out of and relating in any manner whatsoever to the Contract, Project, Arbitration, and Asserted Claims, subject to the terms of this Agreement;

NOW THEREFORE, the Parties agree to the following terms:

TERMS:

1. **Payment:** To induce and effect the agreed upon settlement, Belmont County will pay Vendrick the sum of \$33,412.00 (the “Settlement Payment”), by check made payable to VendRick Construction, Inc., within ten (10) business days of full execution of this Agreement.

2. **Mutual Release:** As consideration for the above Settlement Payment, the mutual release and other covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, for themselves and their respective past, present, and future parents, members, managers, shareholders, officers, directors, general and limited partners, sureties, insurers, guarantors, employees, agents, representatives, affiliates, predecessors, successors and assigns, do hereby release and forever discharge each other, individually and collectively, and their respective past, present, and future parents, members, managers, shareholders, officers, directors, general and limited partners, sureties, insurers, guarantors, employees, agents, representatives, affiliates, predecessors, successors and assigns, from and against any and all claims, demands, actions or causes of action, liabilities, losses, costs or expenses of whatever nature or description, known or unknown, now existing, and whether or not asserted to date, which they had, have, or claim to have, arising out of or related in any way to the Contract, Project, Arbitration, and Asserted Claims, whether sounding in contract, equity, tort, or any other theory of liability, whether by way of direct claim, counterclaim or setoff. This release shall include, among other things and without limitation, any and all payment claims and demands, indemnity rights, and causes of action in statute, contract, law, equity or tort, arising out of or related in any way to the Contract, Project, Arbitration, and Asserted Claims. This release shall not be construed, however, to release and specifically excludes any claims necessary to enforce the obligations of the Parties under this Agreement.

3. **Dismissal of Arbitration:** Promptly following receipt of the Settlement Payment, Vendrick shall notify the American Arbitration Association that the dispute is resolved and the Arbitration is dismissed with prejudice.
4. **Costs and Attorney's Fees:** Each of the Parties agrees to pay its own costs, attorney's fees, and expenses.
5. **No Admission of Wrongdoing:** The Parties acknowledge and agree that nothing in this Agreement shall constitute or be construed as an admission of wrongdoing, liability, or default relating to the Contract, Project, Arbitration, and Asserted Claims.
6. **Non-Disparagement:** The Parties and each of them, agree to make no disparaging comments, negative references or other adverse statements regarding each other that in any way relate to the subject of the Contract, Project, Arbitration, and Asserted Claims.
7. **Representations and Warranties:** Each party to this Agreement represents and warrants to the other party as follows:
 - a. They have received independent legal advice from their attorneys concerning the advisability of making the settlement provided for in this Agreement and of executing this Agreement;
 - b. They have carefully read and reviewed with their attorneys, and know and understand the full contents of, this Agreement, and are voluntarily entering into this Agreement on the advice of their attorneys;
 - c. They have not assigned to any person or entity any of the claims, or any portion of any of the claims, that were or could have been asserted in connection with the Contract, Project, Arbitration, and Asserted Claims;
 - d. They are properly and fully authorized and empowered to enter into and execute this Agreement; (ii) they know of no contractual commitment or legal limitation of, impediment to, or prohibition against their entry into this Agreement; and (iii) the Agreement is legal, valid and binding upon the Parties hereto; and
 - e. They are not relying on any statement, representation, omission, inducement, or promise of any other party in executing this Agreement, except as expressly stated in this Agreement.
8. **Additional Terms:** The Parties further agree as follows:
 - a. This Agreement is entered into in the State of Ohio and is to be governed by and interpreted in accordance with the laws of the State of Ohio without regard to its conflicts of law provisions;
 - b. This Agreement is the entire agreement between the Parties pertaining to the settlement of this matter and supersedes all prior and contemporaneous agreements, representations and undertakings, oral or written. No supplement, modification, or amendment of this Agreement will be binding unless it is in writing and signed by all of the Parties;
 - c. This settlement resolves any and all claims and damages relating to the Contract, Project, Arbitration, and Asserted Claims;
 - d. No waiver of any term of this Agreement constitutes a waiver of any other provision, whether similar or dissimilar. No waiver of any term constitutes a continuing waiver of that term. No waiver is binding unless signed in writing by the waiving party;
 - e. If any term of this Agreement is for any reason invalid or unenforceable, the rest of the Agreement remains fully valid and enforceable;
 - f. This Agreement binds and inures to the benefit of all of the Parties and their successors and assigns. This Agreement cannot be assigned without the prior written consent of the other Parties;
 - g. The headings in this Agreement are for convenience of reference only and do not constitute a part of it. The headings do not affect its interpretation;
 - h. The Recitals are incorporated into this Agreement as if fully restated herein;
 - i. This Agreement may be executed in counterparts, each of which is considered an original, but all of which constitute one and the same instrument;
 - j. Each party has cooperated in, and in any construction of this Agreement shall be deemed to have cooperated in, the drafting and preparation of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date set forth in the preamble above.

VENDRICK CONSTRUCTION, INC.
 By: Derrick M. Dickson /s/
 Title: Derrick M. Dickson, Vice President
 BELMONT COUNTY COMMISSIONERS
 SENIOR SERVICES OF BELMONT COUNTY
 By: Josh Meyer /s/
 Title: Commissioner
 By: Jerry Echemann /s/
 Title: Commissioner
 By: J. P. Dutton /s/
 Title: Commissioner
 APPROVED AS TO FORM:
David K. Liberati /s/
 PROSECUTING ATTORNEY

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

Mr. Meyer said this is tidying up some things mainly due to landscaping.

IN THE MATTER OF LIQUOR LICENSE FOR WILLIAM E SWOYER, SR., DBA P & B CARROUT

Motion made by Mr. Meyer, seconded by Mr. Echemann to advise the Ohio Division of Liquor Control, the Board of Belmont County Commissioners does not request a hearing on the matter of a request for a new C1 liquor license, Permit No. 87477270005, for William E Swoyer, Sr., DBA P & B Carryout, 55032 St. Joe Merritt Rd., Pultney Township, Bellaire, OH, 43906. There have been no objections received and the Board of County Commissioners has no objections to the permit.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF APPROVING THE SHARP COPIER MAINTENANCE AGREEMENT WITH MOS OFFICE SYSTEMS/BUILDINGS AND GROUNDS OFFICE

Motion made by Mr. Meyer, seconded by Mr. Echemann to approve and sign the Sharp Copier Maintenance Agreement with MOS Office Systems for a one (1) year term, effective March 27, 2019. Minimum annual maintenance is \$200 per year for the Sharp MX-2600 copier located in the Buildings and Grounds office.

SHARP COPIER MAINTENANCE AGREEMENT			
COMPANY:	Belmont Co Commissioners Buildings & Grounds	CONTACT:	Jack
ADDRESS:	116 Knoll Ave	TELEPHONE:	740-695-2121

March 27, 2019

CITY:	St. Clairsville	STATE:	OH	ZIP:	43950
MAKE & MODEL:	Sharp MX-2600	SERIAL NUMBER:	05064177		
Billing:	Quarterly	March, June, Sep, Dec 15th			
Black & White:	.015	191242	Color:	0.062	13354

It is agreed that MOS is authorized to furnish Maintenance Service for your machine/s, make, model & serial numbers listed below, in order to keep them in satisfactory condition and prolong their operating efficiency.

1. MOS will replace Parts, Drums, Toner and Developer, including all services calls, labor and travel.
2. This maintenance agreement does not include Paper.
3. Alteration or repairs performed by personnel not authorized by MOS will VOID this contract.
4. Only those production models listed by serial number on the face of this agreement are covered by this agreement.
5. In no event shall MOS be liable for Damage caused by God, accident, storm, fire, water, spills, negligence, misuse, and incidental, consequential or special damages arising from or by reason of this maintenance agreement.
6. There will be an annual increase in maintenance per year, of no more than 5%, upon the date of renewal.
7. The minimum annual fee for copies is \$200.00. This covers all cost of maintenance.

This agreement will become in effective on the date and copy count listed below. It is to remain in force for one year from this date and will be renewed year to year at the anniversary date. To cancel by either the Customer or the Company, it must be done with a 30 day written notice and a call to MOS.

APPROVED BY: Josh Meyer /s/ Date: 3-27-19
J. P. Dutton /s/
Jerry Echemann /s/

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

IN THE MATTER OF ENTERING INTO THE MEMORANDUM OF UNDERSTANDING WITH THE LOCAL EMERGENCY PLANNING COMMITTEE (LEPC)

Motion made by Mr. Meyer, seconded by Mr. Echemann to enter into the Memorandum of Understanding, effective January 1, 2019, until December 31, 2019, by and between the Belmont County Local Emergency Planning Committee (LEPC) and the Board of Belmont County Commissioners for the purpose of promoting public safety and prudent emergency planning for the citizens of Belmont County.

Note: This is regarding the funding provided by the LEPC for services to be provided by the Director and staff of the Belmont County Emergency Management Agency.

Memorandum of Understanding

This Memorandum of Understanding, effective January 1, 2019 until December 31, 2019 is entered into by and between the Belmont County Local Emergency Planning Committee (LEPC), 68329 Bannock Road, St. Clairsville, OH 43950, and the Board of Belmont County Commissioners (Commissioners) 101 West Main Street St. Clairsville, Ohio 43950, for purpose of promoting public safety and prudent emergency planning for the citizens of Belmont County, Ohio.

In consideration of the services to be provided by the Director and staff of the Belmont County Emergency Management Agency as described below, the LEPC agrees to provide the sum of twelve thousand eight hundred and ten dollars (\$12,810.37) annually, provided that (1) the LEPC has such amount, and (2) said sum does not exceed 75% of the fund balance. Said funds shall be made available to the Commissioners during the first quarter of each calendar year this agreement is effect.

In consideration of the funds provided by the LEPC to the Board as described in this agreement, the EMA shall provide the following services to or for the LEPC:

1. Grant writing and administration
2. Administration of SARA Title III filings by local chemical facilities
3. Compliance and enforcement of SARA Title III regulations
4. Compliance with SERC mandated reports
5. Emergency response to spills and releases of regulated materials
6. Information coordination of LEPC public records
7. Plan development, review, and updates
8. Annual exercise of the LEPC county plan and emergency response
9. Administration of the LEPC Cost Recovery Program
10. Such other administrative duties as may be needed, provided that such additional duties shall not interfere with nor impede the discharge of the emergency management responsibilities of the EMA Director and staff

The parties stipulate that funds provided by the LEPC to the Commissioners shall be used to supplement existing funding for salaries, benefits and other operational expense categories of the EMA; and that said funds are being provided by the LEPC to the Commissioners on the condition that such funds shall be used in addition to, and not as a replacement of, funding currently budgeted by the Commissioners to the EMA.

Each party hereto reserves the right to revise or terminate this Memorandum of Understanding annually prior to the anniversary of the date of the signing. Unless terminated, by either party upon written notice to the other not later than 30 days prior to the anniversary date, this agreement shall be in effect for the calendar year.

Date: March 27, 2019

BELMONT COUNTY LOCAL EMERGENCY PLANNING COMMITTEE

BY: Dave Ivan /s/ DATE: 3-27-19
Dave Ivan, Chairman

BOARD OF BELMONT COUNTY COMMISSIONERS

BY: Josh Meyer /s/ DATE: 3-27-19
Josh Meyer, President

BY: Jerry Echemann /s/ DATE: 3-27-19
Jerry Echemann, Vice-President

BY: J. P. Dutton /s/ DATE: 3-27-19
J. P. Dutton

APPROVED AS TO FORM:

David K. Liberati /s/ Assist P.A.

BELMONT COUNTY

PROSECUTOR

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

OPEN PUBLIC FORUM-Mike Bianconi asked for a running total for a year on oil and gas leases. Mr. Meyer answered it's an estimated \$200,000 annually. Mr. Bianconi said he would like to see the money from the leases on Sanitary Sewer property go into their account and county property go toward road paving. Mr. Meyer said the board looks at all options on how to utilize that money. Mr. Dutton said they have been putting the revenue from oil and gas into a separate fund for infrastructure or debt repayment. Mr. Dutton added out of the larger bonuses the previous Board allocated \$2 million toward roads. He said they are talking to Terry Lively, County Engineer, now to potentially look at a grant project and maybe use some of those funds for matching money. Mr. Bianconi asked if Tourism could allocate some money toward road repairs. Mr. Meyer said he would hate to start pulling from different areas-in his mind it is now the responsibility of the state. The last time the state did anything was in 2005 when they increased the gas tax. Mr. Dutton said the Tourism Board decides how to spend the revenue from hotel tax. Frank Papini asked about the governor releasing funds for the counties for infrastructure. Cody Pettit with the State's Treasurer's office said there might be some funds for infrastructure that was emergency related due to the weather, but it is not a lot. Mr. Pettit reviewed some policies of the State Treasurer's office. He said Results Ohio is a way to use private solutions with some public funds; it works as a bond program. Also, residents can check on where state tax dollars are going through OhioCheckbook.org.

**IN THE MATTER OF BID OPENING FOR SARGUS JUVENILE
DETENTION CENTER ROOF RENOVATION PROJECT**

This being the day and 9:30 a.m. being the hour that bids was to be on file in the Commissioners' Office for the Belmont County Sargus Juvenile Detention Center Roof Renovation project; they proceeded to open the following bids:

NAME	BID BOND	BID AMOUNT
Kalkreuth Roofing & Sheet Metal 53-14 th Street Wheeling, WV 26003	X	Base Bid \$257,000.00
Mansuetto & Sons 116 Wood Street Martins Ferry, OH 43935	X	Base Bid \$424,566.00
Murray Sheet Metal Co. 3112 Northwestern Pike Parkersburg, WV 26104	X	Base Bid \$312,041.00

Present for opening: Jack Regis, Facilities Manager, D. J. Watson, Belmont-Harrison Juvenile District Executive Director and Lisa Rine, Financial Officer.

Motion made by Mr. Meyer, seconded by Mr. Echemann to turn over all bids for the Belmont County Sargus Juvenile Detention Center Roof Renovation project to Jack Regis, Facilities Manager, for review and recommendation.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

RECESS

Natalie Brown, President, MPR Transloading & Energy Services

Re: Annual Regional Oil & Gas Expo

Ms. Brown gave an overview on the Oil & Gas Expo that will be held on April 24, 2019. Ninety-nine booths are already reserved with about 75% returning businesses this year. Ms. Brown said businesses from all over the country are represented at the expo and about 1,600 people attend. She said there will also be other industries there such as mining, insurance agents, banking, hospitality, etc. that deal with the oil and gas industry.

**IN THE MATTER OF ENTERING
EXECUTIVE SESSION AT 10:00 A. M.**

Motion made by Mr. Meyer, seconded by Mr. Echemann to enter executive session with Katie Bayness, HR Administrator (via phone) and Attorney Dan Hall, Garvin & Hickey (via phone), pursuant to ORC 121.22(G)(3) Court Action Exception to consider pending litigation.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

**IN THE MATTER OF ADJOURNING
EXECUTIVE SESSION AT 10:28 A.M.**

Motion made by Mr. Meyer, seconded by Mr. Echemann to exit executive session at 10:28 a.m.

Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

AS A RESULT OF EXECUTIVE SESSION-NO ACTION TAKEN AT THIS TIME

March 27, 2019

**IN THE MATTER OF ADJOURNING
COMMISSIONERS MEETING AT 11:15 A. M.**

Motion made by Mr. Meyer, seconded by Mr. Echemann to adjourn the meeting at 11:15 a.m.
Upon roll call the vote was as follows:

Mr. Meyer	Yes
Mr. Echemann	Yes
Mr. Dutton	Yes

Read, approved and signed this 3rd day of April, 2019.

Josh Meyer /s/_____

J. P. Dutton /s/_____ COUNTY COMMISSIONERS

Jerry Echemann /s/_____

March 27, 2019

We, Josh Meyer and Jayne Long, President and Clerk respectively of the Board of Commissioners of Belmont County, Ohio, do hereby certify the foregoing minutes of the proceedings of said Board have been read, approved and signed as provided for by Sec. 305.11 of the Revised Code of Ohio.

Josh Meyer /s/ _____ PRESIDENT

Jayne Long /s/ _____ CLERK