

**DIVISION ORDER**

To: (name and address of payor)

The undersigned owner certifies he/she is the legal owner of the interest set out below in the oil, gas and related liquid hydrocarbons produced from the property described below:

Property description: \_\_\_\_\_  
Product(s): \_\_\_\_\_  
Interest in total Production: \_\_\_\_\_  
Interest type: \_\_\_\_\_  
Effective date: \_\_\_\_\_

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR GAS.

The following provisions apply to each owner (“owner”) who executes this agreement:

TERMS OF SALE: The undersigned owner will be paid in accordance with the oil and gas lease covering the interest of the owner in the property.

PAYMENT: From the effective date, payment is to be made monthly by payor’s check, based on the above division of interest, within the time provided by Texas Natural Resources Code Section 91.402. Payments of less than \$100 may be accrued before disbursement until the total amount equals \$100 or more, or until 12 months’ proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than \$10 until production ceases or the payor’s responsibility for making payment for production ceases, whichever occurs first. Owner agrees to refund to payor any amounts attributable to an interest or part of an interest that owner does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30<sup>th</sup> day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time.

No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change or furnished to payor at the time the change occurs.

Any change of interest shall be made effective on the first day of the month following receipt of such notice by payor.

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this division order, an owner may have certain statutory rights under the laws of this state.

Owner certifies that owners is a U.S. citizen.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address line 1

\_\_\_\_\_  
Address line 2

\_\_\_\_\_  
Social Security Number