

06-1828-CD
Karen L. Lee vs Dennis E. Byers

2006-1828-CD
Karen Lee vs Dennis Byers

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL ACTION)

KAREN J. LEE, formerly known as
KAREN J. BYERS,

Plaintiff

vs.

No. 06-1828-CD

DENNIS E. BYERS,

Defendant.

Type of case: Action for
Declaratory Judgment

Type of pleading: Complaint

Filed on behalf of: Plaintiff,
Karen J. Lee.

Counsel for Plaintiff:
Frederick M. Neiswender, Esquire
Supreme Court No. 74456

NEISWENDER & KUBISTA
211½ North Second Street
Clearfield, Pennsylvania 16830
(814) 765-6500

FILED
01/31/2006 3CC-AHY
NOV 06 2006 Atty pd.
William A. Shaw
Prothonotary/Clerk of Courts
Atty pd. 85.00

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL ACTION)

KAREN J. LEE, formerly known as :
KAREN J. BYERS, :
Plaintiff, :
vs. : No. 06 - - CD
DENNIS E. BYERS, :
Defendant. :
:

NOTICE TO DEFEND

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU
DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE
THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL
HELP.**

COURT ADMINISTRATOR
Clearfield County Courthouse
230 East Market Street, Suite 228
Clearfield, Pennsylvania 16830
(814) 765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL ACTION)

KAREN J. LEE, formerly known as :
KAREN J. BYERS, :
Plaintiff, :
vs. : No. 06 - - CD
DENNIS E. BYERS, :
Defendant. :

COMPLAINT

AND NOW, comes the Plaintiff, KAREN J. LEE, formerly known as KAREN J. BYERS, by and through her attorneys, NEISWENDER & KUBISTA, and files this Complaint against the Defendant, DENNIS J. BYERS, on a cause of action upon which the following is a statement:

1. That Plaintiff, KAREN J. LEE, formerly known as KAREN J. BYERS [hereinafter referred to as "Plaintiff"] is an adult individual residing at 117 Lee Lane, Mahaffey, Clearfield County, Pennsylvania 15757.
2. That Defendant, DENNIS E. BYERS [hereinafter referred to as "Defendant"] is an adult individual residing at 111 Orvis Lane, Mahaffey, Clearfield County, Pennsylvania 15757.
3. That as per a Post-Nuptial Agreement between Plaintiff and Defendant dated October 9, 1997, Defendant received sole title to a house and acreage located in Bell Township, Clearfield County, while Plaintiff received sole lifetime interest in the gas thereon, including royalties for gas which may be paid pursuant to a Gas Lease now held by Victory Gas. *See attached Exhibit "A"*

4. That as per the Post-Nuptial Agreement, Defendant also received sole title to the Starlight Bar located in Mahaffey Borough, Clearfield County. No mention was made in the Agreement as to which party was to retain interest in any the gas on the property. *See attached Exhibit "A"*

5. That also on October 9, 1997, counsel for the Defendant prepared a Deed to effect the Agreement made between the parties. In that Deed, Plaintiff retained and acquired "a sole and exclusive lifetime interest in any gas thereon." *See attached Exhibit "B"*

6. That sometime prior to March 10, 2005, Defendant entered into an Oil and Gas Lease with Victory Energy Corporation encumbering the above-mentioned Mahaffey Borough property and naming himself as sole lessor and receiver of all rents and royalties associated therewith.

7. That on March 10, 2005, upon learning of Plaintiff's interest in the property, Victory Energy Corporation entered into an Oil and Gas Lease with Plaintiff encumbering the above-mentioned Mahaffey Borough property and naming her as sole lessor and receiver of all rents and royalties associated therewith. *See attached Exhibit "C"*

8. That Defendant has informed Victory Energy Corporation that he is entitled to all rents and royalties associated with the above-mentioned Oil and Gas Lease.

9. That Plaintiff believes and therefore avers that based on the attached documentary evidence she is entitled to all rents and royalties associated with the above-mentioned Oil and Gas Lease and has informed Victory Energy Corporation of her position.

10. That on March 29, 2005, Michael S. Delaney, Esquire, counsel for Victory Energy Corporation, sent both parties a letter stating that all rents and royalties associated with the above-mentioned property will be held by Victory Energy Corporation until the dispute is settled or adjudicated. *See attached Exhibit "D"*

11. That Plaintiff has not received rents or royalties from the above-mentioned Oil and Gas Lease.

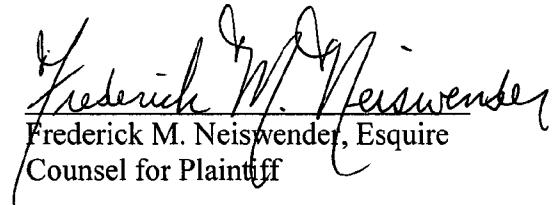
12. That this matter will not be resolved until this Court enters a declaratory judgment.

WHEREFORE, Plaintiff requests this Court to enter judgement:

- (a) declaring that Plaintiff has a sole and exclusive lifetime interest in any gas found on the Bell Township and Mahaffey Borough properties;
- (b) declaring that all rents and royalties payable as a result of the above-mentioned Oil and Gas Lease with Victory Energy Corporation shall be paid to Plaintiff;
- (c) declaring that Defendant reimburse Plaintiff for all of her costs and legal fees incurred in pursuing this Declaratory Judgment Action;
- (d) granting such further relief as the Court may deem appropriate.

Respectfully submitted,

NEISWENDER & KUBISTA


Frederick M. Neiswender, Esquire
Counsel for Plaintiff

POST-NUPTIAL AGREEMENT

THIS AGREEMENT, made this 9th day of October, 1997, between DENNIS E. BYERS, of R.R. #2, Box 102, Mahaffey, Clearfield County, Pennsylvania, hereinafter referred to as "Husband",

- A N D -

KAREN J. BYERS, of R.R. #2. Box 102, Mahaffey, Clearfield County, Pennsylvania, hereinafter referred to as "Wife".

WITNESSETH:

WHEREAS, the parties were married on December 28, 1970, at Clearfield County, Pennsylvania; and

WHEREAS, differences between the parties have arisen and a Complaint in Divorce was filed on January 16, 1997 in the Court of Common Pleas of Clearfield County, Pennsylvania, to File No. 97-54-CD, and as a result the parties hereto intend to live separate and apart; and

WHEREAS, the parties desire to agree to various issues in divorce; and

WHEREAS, both parties agree to relinquish any and all claims which either may have against any property now owned or belonging to the other or which may hereafter be acquired by either of them by purchase, gift, devise, bequest, inheritance and otherwise, except as to the obligations, covenants and agreements contained herein;

NOW THEREFORE, in consideration and mutual undertakings herein contained and intended to be legally bound hereby, the parties covenant and agree as follows:

1. DESIRE OF THE PARTIES: It is the desire of the parties, after long and careful consideration, to amicably adjust, compromise and settle some of their property rights and all rights in, to or against each other's property or estate, including property heretofore or subsequently

acquired by either party, and to settle all disputes existing between them, including any and all claims for Wife's and/or Husband's maintenance, and/or for support, alimony, counsel fees and costs and equitable distribution.

2. MUTUAL RELEASE: Subject to the provisions of this Agreement, each party has released and discharged, and by this Agreement does for herself or himself and her or his heirs, legal representatives, executors, administrators and assigns, release and discharge the other of and from all causes of action, claims, rights, or demands, whatsoever in law or equity, which either of the parties ever had or now has against the other, except any or all cause or causes of action for divorce and except any or all causes of action for breach of any provisions of this Agreement.

3. INTERFERENCE: Each party shall be free from interference, authority, and contact by the other, as fully as if to carry out the provisions of this Agreement. Neither party shall molest the other or attempt to endeavor to molest the other, nor compel the other to cohabit with the other, or in any way harass or malign the other, nor in any way interfere with the peaceful existence, separate and apart from the other.

4. DEBTS/INDEMNIFICATION: Each party warrants to the other that he or she has not incurred any debt, obligations, or other liability, other than those described in this Agreement, on which the other party is or may be liable, each party covenants and agrees that if any claim, action or proceeding is hereafter brought seeking to hold the other party liable, due to an act or omission of such party, such party will, at his or her sole expense, defend the other party against any such claim or demand, whether or not well-founded, and that he or she will indemnify and hold harmless the other party therefrom.

5. MARITAL PROPERTY: The parties hereby acknowledge that they have divided certain marital property. The parties agree that the personal property in the possession of

the party at the time of execution of this Agreement shall be the sole and exclusive property of the party having possession.

The parties agree that the 1994 Ford Explorer automobile shall be transferred to Wife and shall become her sole and exclusive property. Husband agrees to execute any and all documents necessary to effectuate such transfer.

The parties agree that the 1996 Dodge Ram pickup truck shall be transferred to Husband and shall become his sole and exclusive property. Wife agrees to execute any and all documents necessary to effectuate such transfer.

The parties agree to divide equally the monies that were in the County National Bank Account #0313062781412873 on May 22, 1997, at 10:00 o'clock A.M.

The parties agree that the Liberty Fund setup through their lottery winnings and established as a retirement account, which is being managed through County National Bank, shall become the sole possession of the Wife and the Husband shall waive any claim to these funds.

The parties agree that the Husband shall receive any and all remaining personal property and assets of the parties not set forth in this Agreement and the Wife shall waive any claim to these items.

6. REAL PROPERTY: The parties agree that the real estate, which consists of a house and acreage located in Bell Township, Clearfield County, presently held in joint names shall be deeded over to the Husband. The Husband shall assume the indebtedness thereon and shall hold the Wife harmless for his failure to maintain said debt. Provided however, that the wife shall have a sole lifetime interest in the gas thereon, including any royalties for gas which may be paid pursuant to a Gas Lease now held by Victory Gas.

The parties are also the present owners of the Starlight Bar located in Mahaffey Borough, Clearfield County. Husband shall become the sole owner and Wife shall execute all documents to effect this fact, including documents required by the Pennsylvania Liquor Control Board.

Provided further, that if the business is sold, the wife shall receive an amount equal to ten (10%) percent of any net amount received, up to Fifteen Thousand (\$15,000.00) Dollars.

7. PENSION: The Wife shall waive any right, claim or interest to the pension which was earned by the Husband through his employment with the Benjamin Coal Company. Provided however, she shall remain the beneficiary of said pension and shall be entitled to the proceeds of said pension if the Husband passes away before his 55th birthday. The pension is held through the Pension Benefit Guaranty Corporation, 1200 K Street, M.W. Washington, D. C. 20005-4026. The parties shall execute all necessary documents to secure a Qualified Domestic Relations Order to effect this Agreement.

8. ALIMONY: Both parties agree waive alimony.

9. WAIVER OF CLAIMS AGAINST ESTATES: Except as herein otherwise provided, each party may dispose of her or his property in any way, and each party hereby waives and relinquishes any and all rights she or he may have or hereafter acquire, under the present or future laws of any jurisdiction, to share in the property or the estate of the other as a result of the marital relationship, including without limitation, power, courtesy, statutory allowance, widow's allowance, right to take property under equitable distribution, right to take in intestacy, right to take against the Will of the other, and right to act as administrator or executor of the other's estate, and each will, at the request of the other, execute, acknowledge, and deliver any and all instruments

which may be necessary or advisable to carry into effect this mutual waiver and relinquishment of all such interests, rights and claims.

10. BREACH: If either party breaches any provision of this Agreement, the other party shall have the right, at her or his election, to sue for damages for such breach, or seek such other remedies or relief as may be available to her or him, and the party breaching this contract shall be responsible for payment of legal fees and costs incurred by the other in enforcing their rights under this Agreement.

11. ADDITIONAL INSTRUMENT: Each of the parties from time to time, at the request of the other, shall execute, acknowledge, and deliver to the other party any and all further instruments that may be reasonable required to give full force and effect to the provisions of this Agreement.

12. ENTIRE AGREEMENT: This Agreement contains the entire understanding of the parties and there are no representations, warranties, covenants or undertakings other than expressly set forth herein. The parties do hereby agree that this agreement shall be incorporated into the Divorce Decree and made a part thereof.

13. MODIFICATION AND WAIVER: A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. The failure of either party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or similar nature.

14. DESCRIPTIVE HEADINGS: The descriptive headings used herein are for convenience only. They shall have no effect whatsoever in determining the rights or obligations of the parties.

15. APPLICABLE LAW: This Agreement shall be construed under the laws of the Commonwealth of Pennsylvania.

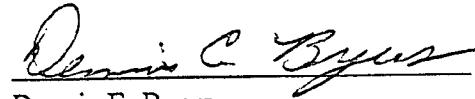
16. VOID CLAUSES: If any term, condition, clause or provision of this Agreement shall be determined or declared to be void or invalid in law or otherwise, then only that term, condition, clause or provision shall be stricken from this Agreement and in all other respects this Agreement shall be valid and continue in full force, effect and operation.

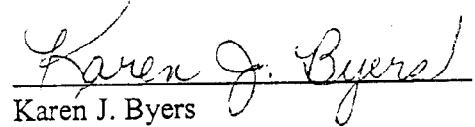
17. REPRESENTATION BY COUNSEL: Each have been advised of their right to separate counsel and if they have failed to secure the same they have waived this right knowingly and intelligently. DENNIS E. BYERS has been represented by R. Denning Gearhart, Esquire; KAREN J. BYERS is represented by Kimberly M. Kubista, Esquire.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.


R. Denning Gearhart, Esq.


Kimberly M. Kubista, Esq.


Dennis E. Byers


Karen J. Byers

COMMONWEALTH OF PENNSYLVANIA
: SS:
COUNTY OF CLEARFIELD

On this the 9th day of October, 1997, before me, the undersigned officer, personally appeared DENNIS E. BYERS, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Kathleen A. Ricotta

Notarial Seal
Kathleen A. Ricotta, Notary Public
Clearfield Boro, Clearfield County
My Commission Expires June 7, 2001

COMMONWEALTH OF PENNSYLVANIA
: SS:
COUNTY OF CLEARFIELD

On this the 14th day of October, 1997, before me, the undersigned officer, personally appeared KAREN J. BYERS, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Jill A. Vokes
NOTARIAL SEAL
JILL A. VOKES, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD CO. PA
MY COMMISSION EXPIRES APRIL 7, 2001

THIS DEED

VOL 1992, pg. 217

MADE the 9th day of October, in the year nineteen hundred and ninety-seven (1997) BETWEEN DENNIS E. BYERS and KAREN J. BYERS, husband and wife, of Mahaffey, Clearfield County, Pennsylvania, parties of the first part, hereinafter referred to as the GRANTORS,

A N D

DENNIS E. BYERS, an individual, of R.R. #2, Box 102, Mahaffey, Clearfield County, Pennsylvania, party of the second part, hereinafter referred to as the GRANTEE,
WITNESSETH, That in consideration of ONE and 00/100 (\$1.00) Dollar, in hand paid, the receipt whereof is hereby acknowledged, the said grantors do hereby grant and convey to the said grantee, his heirs, successors and assigns,

ALL those certain two parcels of real property being more particularly bounded and described as follows in Bell Township, Clearfield County, Pennsylvania:

THE FIRST THEREOF BEGINNING at a post; thence South three (3) degrees and forty-five (45') minutes West one hundred sixty-three (163) perches to a maple; thence South eight-six (86) degrees and forty-five (45) minutes East thirty-two and three-tenths (32.3) perches to a hemlock stump; thence North two (2) degrees and thirty (30) minutes East seventy-nine and two-tenths (79.2) perches to a point; thence North Eight-five (85) degrees and fifteen (15) minutes West four and eight-tenths (4.8) perches to a post; thence North four (4) degrees and thirty (30) minutes East eighty-two and three-tenths (82.3) perches to a post; thence North eight-five (85) degrees and fifteen (15) minutes West twenty-seven and six-tenths (27.6) perches to a post and place of beginning. Containing twenty-nine and thirty-five one-hundredths (29.35) acres of land, more or less.

EXCEPTING and RESERVING all that certain piece or tract of land containing five (5) acres and sixty-three (63) perches deeded by A. B. Mossor and Ella M. Mossor, his wife, to Jacob Breth by deed dated January 4, 1897 and recorded at Clearfield in Deed Book Volume No. 99, page 139.

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THE SECOND THEREOF: BEGINNING at a point on the township road leading from Mahaffey to New Washington on corner land now or formerly of J. T. McGee; thence along land of said J. T. McGee southeast to lands heretofore described; thence northeast twenty (20) feet along said land to a post; thence northeast along the land now or formerly of John Ross Estate to point on said public road sixteen (16) feet southeast of corner of land of J. T. McGee; thence along said public road northeast sixteen (16) feet to point and place of beginning. Containing one-fourth (1/4) acre of land, more or less.

EXCEPTING and RESERVING all coal and mining rights as heretofore reserved in the chain of title.

TOGETHER with all of his right, title, interest and claim in and to any and all existing gas leases, coal leases, or other matters relating to said property.

BEING the same premises as was conveyed to Dennis E. Byers and Karen J. Byers, by deed of Carl L. Anderson, Administrator of the Estate of Ellen S. Anderson, by deed dated October 10, 1984 and entered for record in the Recorder's Office of Clearfield County in Deed & Records Book Volume 975, Page 574.

ALSO

ALL that certain piece or parcel situate in the Borough of Mahaffey, County of Clearfield, State of Pennsylvania, bounded and described as follows:

BEGINNING at a point on the Northeast right-of-way of PA Route 36, a 60 foot wide roadway perpendicular to center-line of said roadway from juncture of brick facing between Anderson Garage and Stucke Building thence along said right-of-way South 45 degrees 45 minutes 00 seconds East 41.37 feet to a point of curvature; thence still by said right-of-way on a curve to the left having a radius of 542.96 feet and an arc length of 93.02 feet, and having a chord running South 50 degrees 39 minutes 29 seconds East 92.91 feet to the Northwest right-of-way of Water Street, a 40 foot wide roadway; thence by said right-of-way North 44 degrees 15 minutes 00 seconds East 150.00 feet to a point on the low-water line of the West Branch of the Susquehanna River; thence by same North 17 degrees 05 minutes 00 seconds East 20.36 feet to the Southwest side of a 16 foot wide alley; thence by same North 45 degrees 45 minutes 00 seconds West 124.64 feet to a point on the wall of the H. G. Anderson Garage; thence by same and plane between the two adjoining buildings South 44 degrees 15 minutes 00 seconds West 176.06 feet to the place of beginning.
Containing 0.5338 Acres.

EXCEPTING that portion acquired by the Commonwealth of PA, Department of Transportation by Condemnation proceedings filed to No. 85-591-Cd, said proceedings recorded in Record Book 1007, Page 248, said instrument incorporated herein by reference thereto.

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BEING the same premises as were granted and conveyed unto Dennis E. Byers and Karen J. Byers by Order in Action to Quiet Title, filed to No. 90-748-CD, and recorded in the Office for the Recording of Deeds of Clearfield County, Pennsylvania, in Deed Book Vol. 1360, Page 207.

ALSO

ALL that certain piece or parcel situate in Mahaffey Borough, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point on the Southeastern right-of-way of the N/F Penn Central Railroad at a perpendicular distance of 50.00 feet from the center-line thereof and at the Northeastern side of an alley; thence by said side of alley running parallel to and 221.06 feet from center-line of PA Route 36 South 45 degrees 45 minutes 00 seconds East 371.75 feet to the West corner of the H. G. Anderson Brick Building; thence along face of said building North 44 degrees 15 minutes 00 seconds East 100.00 feet to a back corner of said building; thence along back face of said building South 45 degrees 45 minutes 00 seconds East 50.00 feet to a point corner of said building; thence along line of Mahaffey Borough Municipal Authority lands North 44 degrees 15 minutes 00 seconds East 20.00 feet to a point; thence still by same South 45 degrees 45 minutes 00 seconds East 109.00 feet to the low-water line of the West Branch of the Susquehanna River; thence by the said water line along the following courses and distances; North 15 degrees 04 minutes 08 seconds East, 195.59 feet; North 7 degrees 51 minutes 19 seconds East, 179.25 feet; North 4 degrees 27 minutes 05 seconds East, 275.92 feet; North 0 degrees 28 minutes 36 seconds East, 140.42 feet to the Southeastern right-of-way of the N/F Penn Central Railroad; thence by same parallel to the center-line of said railroad and 50.00 feet therefrom South 40 degrees 48 minutes 00 seconds West, 268.43 feet to a point of curvature (P.C.); thence still along same by a curve to the right having a radius of 1172.00 feet and an arc length of 489.42 feet, also having a chord running South 52 degrees 42 minutes 19 seconds West, 485.77 feet to the place of beginning.
Containing 4.6467 Acres.

EXCEPTING that portion acquired by the Commonwealth of PA, Department of Transportation by Condemnation proceedings filed to No. 85-591-CD, said proceedings recorded in Record book 1007, Page 248, said instrument incorporated herein by reference thereto.

BEING the same premises as were conveyed unto Dennis E. Byers and Karen J. Byers, by Order in Action to Quiet Title filed to No. 90-749-CD, and recorded in the Office for the Recording of Deeds of Clearfield County, Pennsylvania, in Deed Book Vol. 1358, Page 334.

Provided that the Deed retains and acquires for Karen J. Byers a sole and exclusive lifetime interest in any gas herein.

THIS IS A TRANSFER BETWEEN SPOUSES.

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TOGETHER with all and singular ways, waters, water courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever thereunto belonging, or in anywise appertaining, and the reversions and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest, use, trust, property, possession, claim and demand whatsoever of Grantors in law, equity, or otherwise, howsoever, of, in, to, or out of the same.

TO HAVE AND TO HOLD the said Grantors hereditaments and premises hereby granted and released, or mentioned and intended so to be, with the appurtenances, unto the said Grantee, his heirs, successors and assigns, to and for the only proper use and behoof of the said Grantee and assigns, forever.

BUYER ALSO UNDERSTANDS THAT THERE IS NO COMMUNITY OR PUBLIC SEWAGE SYSTEM AVAILABLE TO THE WITHIN PROPERTY. A PERMIT FOR ANY NEW INDIVIDUAL SEWAGE SYSTEM, OR ANY REPAIRS TO ANY EXISTING INDIVIDUAL SEWAGE SYSTEM, WILL HAVE TO BE OBTAINED FROM THE LOCAL AGENCY DESIGNATED AS PROVIDED IN THE PENNSYLVANIA SEWAGE FACILITIES ACT.

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NOTICE

In accordance with the provisions of "The Bituminous Mine Subsidence and Land Conservation Act of 1966", I/we, the undersigned grantee/grantees, hereby certify that I/we know and understand that I/we may not be obtaining the right of protection against subsidence resulting from coal mining operations and that the purchased property may be protected from damage due to mine subsidence by a private contract with the owners of the economic interest in the coal. I/we further certify that this certification is in a color contrasting with that in the deed proper and is printed in twelve point type preceded by the word "notice" printed in twenty-four point type.

Witness:

Dennis E. BryanKathleen A. RicotteThis 9th Day of October, 1997

THIS DOCUMENT MAY NOT SHIFT, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (This Notice is set forth pursuant to Act No. 255, approved September 10, 1965, as amended.)

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The said Grantors will **SPECIALLY WARRANT** the property hereby conveyed.

IN WITNESS WHEREOF, said grantors have hereunto set their hands and seals, the day and year first above-written.

Sealed and delivered in
the presence of:

Kathleen A. Ricotta
Deputy Notary Public

Dennis E. Byers
DENNIS E. BYERS
Karen J. Byers
KAREN J. BYERS

CERTIFICATE OF RESIDENCE

I hereby certify that the precise residence of the grantee herein is as follows:

R.R. #2, Box 102
Mahaffey, PA 15757

R. Denning Gearhart

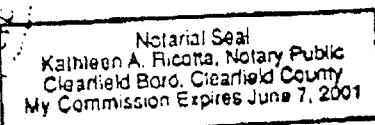
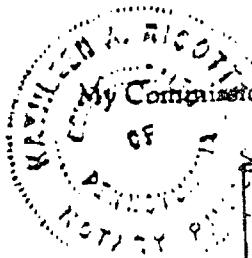
R. Denning Gearhart, Esquire
No Title Search

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CLEARFIELD

On this, the 9th day of October, 1997, before me, the undersigned officer, a Notary Public, personally appeared DENNIS E. BYERS, known to me, or satisfactorily proven, to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.



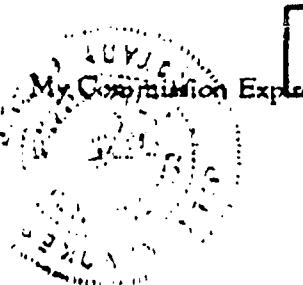
Kathleen A. Ricotta
Notary Public

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COMMONWEALTH OF PENNSYLVANIA :
 COUNTY OF CLEARFIELD :
 : SS.

On this, the 14th day of October 1997, before me, the undersigned officer, a Notary Public, personally appeared KAREN J. BYERS, known to me, or satisfactorily proven, to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

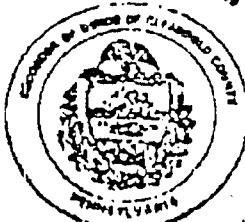


NOTARY SEAL
 JILL A. VOKES, NOTARY PUBLIC
 CLEARFIELD BOARD, CLEARFIELD CO., PA.
 MY COMMISSION EXPIRES APRIL 7, 2001

Jill A. Vokes

Notary Public

I hereby CERTIFY that this document is recorded in the Recorder's Office of Clearfield County, Pennsylvania.



Karen J. Starck

Karen L. Starck
 Recorder of Deeds

CLEARFIELD COUNTY
 ENTERED OF RECORD
 TIME 3:40 pm 10-29-97
 BY A.O. Headnut
 FEES 19.50
 Karen L. Starck, Recorder

Entered of Record 10-29-1997, 3:40 pm Karen L. Starck, Recorder

CLEARFIELD COUNTY RECORDER OF DEEDS

Karen L. Starck, Recorder

Maurene Inlow - Chief Deputy

P.O. Box 361

1 North Second Street, Suite 103

Clearfield, Pennsylvania 16830

*RETURN DOCUMENT TO:

Instrument Number - 200503547

Recorded On 3/15/2005 At 12:22:41 PM

VICTORY ENERGY CORP
220 AIRPORT ROAD
INDIANA, PA 15701

* Instrument Type - LEASE

* Total Pages - 5

Invoice Number - 126186

* Lessor - LEE, KAREN J

* Lessee - VICTORY ENERGY CORP

* Customer - VICTORY ENERGY CORP

* FEES

STATE WRIT TAX	\$0.50
RECORDING FEES -	\$13.00
RECORDER	
RECORDER IMPROVEMENT	\$3.00
FUND	
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL	\$18.50

I hereby CERTIFY that this document
is recorded in the Recorder's Office of
Clearfield County, Pennsylvania.



Karen L. Starck

Karen L. Starck
Recorder of Deeds

THIS IS A CERTIFICATION PAGE

Do Not Detach

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

Lease # 1154
Map Ref. 13-C11-303-18,31
Commencement
Date _____
Expires _____

OIL and GAS LEASE

THIS AGREEMENT made and entered into this the 10th day of March, 2005,
by and between KAREN J. LEE aka Karen J. Byers
117 Lee Lane
Mahaffey, PA 15757

hereinafter called Lessor (whether one or more), and VICTORY ENERGY CORPORATION, ~~220 Airport Road~~
~~XENIA, Ohio, 45385~~, Indiana, Pennsylvania 15701 hereinafter called Lessee.

WITNESSETH, that said Lessor, in consideration of the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, and of the covenants hereinafter contained on the part of said Lessee, to be paid, kept and performed, has granted, demised, leased and let, exclusively unto Lessee, with covenants of general warranty, for the purpose and with the rights of drilling, producing, and otherwise operating for oil and gas, and of laying pipe lines and building tanks, roads, stations, and electric power lines, houses for valves, meters, regulators and other appliances, with all other rights and privileges necessary, incident to or convenient for the operation of this land alone and conjointly with neighboring lands, all that certain

tract of land situate in the ~~XXXXXX~~ Borough of Mahaffey, County of Clearfield,

State of Pennsylvania, and bounded substantially as follows:

On the North by lands of	<u>TRACT #18</u> <u>Mahaffey Borough</u>	<u>TRACT #31</u> <u>Conrail</u>
On the East by lands of	<u>Susquehanna River</u>	<u>Susquehanna River</u>
On the South by lands of	<u>SR 36</u>	<u>Small Tracts</u>
On the West by lands of	<u>Abundant Life Trust</u>	<u>Small Tracts, Conrail</u>

and containing, for the purpose of calculating rentals, six (6) acres of land whether actually containing more or less; and part of all of said land is described in that certain deed to Lessor from

Dennis E. & Karen J. Byers dated 10/09/97
recorded in Book 1883, Page 317, in the Recorder's Office of said County.

1. It is agreed that this lease shall remain in force for a primary term of one (1) years from the date hereof and as long thereafter as the said land is operated by Lessee in the production of oil or gas.

2. (a) Lessee covenants and agrees to deliver to the credit of Lessor, his heirs or assigns, free of costs, in the pipe line to which said Lessee may connect its wells, a royalty of one-eighth (1/8) of native oil produced and saved from the leased premises.
(b) Lessee covenants and agrees to pay Lessor as a royalty for the native gas from each and every well drilled on said premises producing native gas, an amount equal to one-eighth (1/8) of the gross proceeds received from the sale of same at the prevailing price for gas sold at the well, for all native gas saved and marketed from the said premises, payable monthly.

3. If Lessee shall not have either begun operations for the commencement of a well on the premises within 3 months from the date hereof Lessee agrees to pay to the Lessor the sum of \$10.00/acre/year
Sixty and 00/100 - - - DOLLARS (\$60.00) annually, commencing 3 months from date as a rental for 12 months such commencement is delayed, subject however to the right of cancellation hereinafter granted to Lessee, and it is understood and agreed that the rental as hereinbefore provided for is the chief consideration until commencement of a well. The commencement of a well shall, however, be and operate as a full liquidation of all rentals thereafter accruing under this provision of this lease during the remainder of the term hereof. In the event of completion of a commercially unproductive well on the Premises the Lessee shall be under no obligation to make delay rental payments for a period of one year following the completion of such well. At the expiration of this rental free period, Lessee may continue to hold this lease for such further term as it may desire, not to exceed the primary term thereof, upon the payment of the rentals above mentioned. Lessee shall pay rentals quarterly.

4. All payments under this lease shall be made by check or voucher to the order of
Karen J. Lee, mailed to 117 Lee Lane, Mahaffey, PA 15757

until the Lessee shall have written notice from the Lessor, its heirs or assigns, accompanied by original or certified copies of deeds or other documents as Lessee may require evidencing such change of ownership directing payments to be made otherwise, and any payments made as above until such direction, and thereafter in accordance with such direction shall absolve the Lessee from any liability to any heir or assign of the Lessor. All payments of royalty are to be made according to Lessor's respective interests therein, as hereafter set forth, and this lease shall not be forfeited for Lessee's failure to pay any rentals or royalties until Lessee has received written notice by registered mail of such default and shall fail, for a period of thirty (30) days after receipt of such notice to pay same.

5. Lessor excepts and reserves a total amount of 300,000 cubic feet of gas annually or such part thereof as Lessor may use each year from the gas that Lessee may hereafter produce or otherwise have available from one gas production well completed and operated by Lessee hereunder upon the leased premises, which said amount of 300,000 cubic feet of gas per year Lessor shall be entitled to receive free of cost for heat and light in one dwelling house on the leased premises when and as long as Lessee may elect to produce or operate a well for the aforesaid purposes upon the leased premises, by Lessor laying the necessary lines and making connections at Lessor's cost at such point on the demised premises as may be designated by the Lessee, provided said gas is used with economical appliances and is measured by meter furnished by Lessee. The regulation of such gas will be by regulators furnished by Lessor, and approved by Lessee, placed at a point designated by Lessee, with said gas to be used at Lessor's own risk and Lessee not to be in any way liable for any interruption or insufficient supply of such gas for said domestic use caused by pumping stations, breakage of lines or otherwise, and nothing herein shall prevent the Lessee from abandoning any well or wells or pipelines on the leased premises and removing the pipe therefrom at any time. If more than 300,000 cubic feet per year is used, the excess shall be paid for at the rate charged to domestic consumers in the same area, and in case of default in payment for gas used in excess of said 300,000 cubic feet, Lessee is hereby authorized to deduct the amount thereof from any royalty or other payments that are then due, or may later become due, under the terms of this lease.

6. In addition to the covenants of general warranty hereinabove contained, Lessor further covenants and agrees, that if Lessor's title to the leased premises shall come into dispute or litigation, or, if, in the judgement of Lessee, there are bona fide adverse claims to the rentals or royalties hereinabove provided for, then Lessee, at its option, may withhold the payment of said rentals or royalties until final adjudication or other settlement of such dispute, litigation, claim or claims; and that Lessee, at its option, may pay and discharge any taxes, mortgages or other lien or liens, existing, levied, assessed or which may hereafter come into existence or be levied or assessed on or against the leased premises, and, in the event it exercises such option, Lessee shall be subrogated to the lien and any and all rights of any holder or holders thereof, and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien or liens, any rental or royalty accruing hereunder.

7. If and when drilling or other operations hereunder are delayed or interrupted by lack of water, labor or material, or by fire, storm, flood, war, rebellion, insurrection, riot, strike, differences with workmen, or failure of carriers to transport or furnish facilities for transportation, or as a result of some order, rule, regulation, requisition or necessity of the government, or as the result of any other cause whatsoever beyond the control of Lessee, the time of such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of any such Law, Order, Rule or Regulation.

8. Lessee shall have the right at any time during the term of this lease or after the expiration or termination thereof to remove all machinery, fixtures, pipe lines, houses, buildings, and other structures placed on said premises, including the right to pull and remove all casing and tubing.

9. If the Lessee shall begin operations for the commencement of a well during the term of this lease or any extension thereof, the Lessee shall then have the right to complete the drilling of such wells, and if oil or gas or either of them be found in paying quantities, this lease shall continue and be in force and with like effect as if such well had been completed within the term first herein mentioned.

10. Lessee shall have the right to assign this lease or any interest and the assignee of Lessee shall have corresponding rights, privileges, and obligations with respect to said royalties and rentals as to the acreage assigned to it.

11. Lessee shall upon completion of the first productive well upon said premises make a diligent effort to obtain a pipeline connection but any delay shall not be counted against the Lessee provided Lessee shall resume delay rental payments for quarterly periods, beginning one year from the date that the first productive well shall be completed until said first well shall be connected to a pipeline.

12. Lessee may, at any time during the term hereof, cancel and surrender this lease, and be relieved of any and all obligations, payments and liabilities thereafter to accrue as to the leased premises, by the mailing of a notice of such surrender, and a check covering all rentals, if any, due up to the date of such cancellation or surrender.

13. It is agreed that said Lessee may drill or not drill on said land as it may elect, and the consideration and rentals paid and to be paid hereunder constitute adequate compensation for such privilege.

14. It is agreed that said Lessee shall have the privilege of using free of charge sufficient water, oil and gas from the said premises to run all machinery necessary for drilling and operations thereon, and at any time to remove all machinery and fixtures placed on said premises.

15. No well shall be drilled by Lessee within 200 feet of the dwelling house or barn now on said premises, except by consent of Lessor.

16. The leased premises may be fully and freely used by Lessor for any purpose, excepting such parts as are used by Lessee in operation hereunder.

17. Lessee shall pay Lessor for all damages to cultivated crops or fences caused by Lessee's operations and shall bury all permanent pipelines below plow depth through cultivated areas upon request of Lessor or within a reasonable length of time thereafter.

18. This instrument may be executed in counterparts each having the same validity as if the original. Should any one or more of the parties named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor.

19. For the purpose of conserving the interest of the parties hereto and protecting said premises, and the oil or gas field within which the same are included from unnecessary and wasteful drilling and undue depletion of its resources, Lessor further grants to the Lessee, its heirs and assigns, the right to consolidate the above described premises or any part thereof at the option of Lessee with others to form a unit for development to the same effect as if said premises together with others in the area had been jointly leased by various Lessors to the Lessee as a single undivided tract and in such event Lessor agrees to accept, in lieu of the royalty hereinbefore recited, such proportion of one-eighth (1/8) of the oil and gas marketed from the unitized area as

his acreage included therein bears to the total acreage of the unitized area. Lessee may give notice to Lessor of such consolidation by mail to the above address or by filing a declaration of record describing the properties so consolidated or unitized.

20. In case Lessor owns a lesser interest in said land than the entire undivided fee simple estate therein, then the rentals, royalties and terms herein provided for shall be delivered to Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

21. The Lessee at any time may notify the Lessor in writing at Lessor's last known address, by registered mail, of the Lessee's intention to use any well located on the leased premises and the leased premises for any and all purposes hereinbefore provided of injecting, storing, or holding in storage, and removing gas into, in and from any sands, strata or formations underlying the premises, and upon the giving of such notice the Lessee may use any such well and the leased premises for any and all of said purposes. The Lessee shall pay to the Lessor a rental of \$200.00 each year for each such well while so used.

All the terms, conditions, limitations and covenants herein contained shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, successors, personal representatives and assigns, but no representations other than those herein contained shall be binding on either party.

IN WITNESS WHEREOF, the parties to this agreement have hereunto set their hands and seals the day and year first above written.

WITNESS

SIGNATURE

SOCIAL SECURITY NO.

Karen J. Lee
Karen J. Lee

161-46-0971

Karen J. Byers
aka: Karen J. Byers

161-46-0971

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF _____

On this, the _____ day of _____, _____, before me
 the undersigned officer, personally appeared _____
 satisfactorily proven to me to be the person _____ whose name(s) _____ subscribed to the
 within instrument, and acknowledged that _____ executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

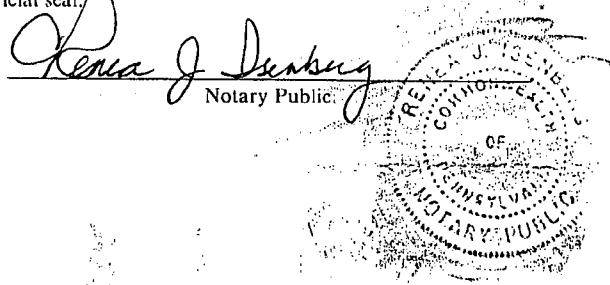
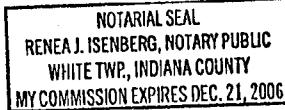
Notary Public

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF Clearfield

On this, the 10th day of March, 2005, before me
RENEA J. ISENBERG
 the undersigned officer, personally appeared Karen J. Lee AKA Karen J. Byers
 satisfactorily proven to me to be the person _____ whose name(s) is _____ subscribed to the
 within instrument, and acknowledged that She executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.



STATE OF _____

COUNTY OF _____

On this, the _____ day of _____, _____, before me
 the undersigned officer, personally appeared _____
 satisfactorily proven to me to be the person _____ whose name(s) _____ subscribed to the
 within instrument, and acknowledged that _____ executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

STATE OF _____

COUNTY OF _____

On this, the _____ day of _____, _____, before me
 the undersigned officer, personally appeared _____
 satisfactorily proven to me to be the person _____ whose name(s) _____ subscribed to the
 within instrument, and acknowledged that _____ executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

LAW OFFICE

MICHAEL S. DELANEY

ATTORNEY AT LAW
936 PHILADELPHIA STREET
INDIANA, PENNSYLVANIA 15701

MICHAEL S. DELANEY

PATRICK DOUGHERTY

March 29, 2005

TELEPHONES:

724-349-2255

800-356-5798

FAX:

724-349-7242

E-MAIL:

MDELANEY@MSDELANEY.COM

PDOUGHERTY@MSDELANEY.COM

Dennis E. Byers
930 Market Street
Mahaffey PA 15757

Karen J. Lee, a/k/a Karen J. Byers
117 Lee Lane
Mahaffey PA 15757

RE: All that certain tract of 4.6467 acres, more or less, situate in Mahaffey Borough, Clearfield County, Pennsylvania, record title vested in:

DENNIS E. BYERS, under and subject to "an exclusive lifetime interest in gas" in **KAREN J. BYERS**

Dear Dennis and Karen:

Please be advised that I represent Victory Energy Corporation, of 220 Airport Road, Indiana, Pennsylvania, 15701.

Victory Energy Corporation is the Lessee of the oil and gas underlying the above-mentioned tract of land. In accordance with discussions that you have had with Renea Isenberg, of Victory Energy Corporation, it is my understanding that the ownership of the oil and gas and, therefore, the ownership of the rents and royalties due under the subject Oil and Gas Lease, is in dispute.

Therefore, in accordance with paragraph 6 of the Oil and Gas Lease Agreement, I have advised Victory Energy Corporation to withhold the payment of said rentals and royalties until such dispute is settled or adjudicated.

Dennis E. Byers
Karen J. Lee, a/k/a Karen J. Byers
March 29, 2005
Page 2

If you have any questions concerning the purpose of this letter, please feel free to contact me at the above office number.

Very truly yours,



MICHAEL S. DELANEY

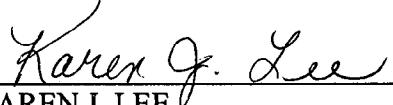
MSD/scf

cc: Renea Isenberg
VICTORY ENERGY CORPORATION
220 Airport Road
Indiana PA 15701

VERIFICATION

KAREN J. LEE, formerly known as KAREN J. BYERS, hereby states that she is the Plaintiff in this action and that the statements of fact made in the foregoing Complaint are true and correct upon personal knowledge. The undersigned understands that the statements herein are made subject to the penalties of 18 Pa.C.S.A. § 4904, relating to unsworn falsification to authorities.

DATE: 10-17-06


Karen J. Lee
KAREN J. LEE

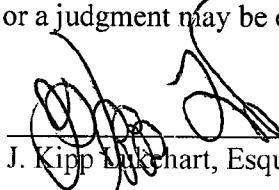
IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL ACTION)

KAREN J. LEE, formerly known as : No. 06-1828-CD
KAREN J. BYERS, :
Plaintiff, : Type of case: Action for Declaratory
: Judgment
Vs. : Type of Pleading: Answer and
: Counterclaim
DENNIS E. BYERS, : Filed on behalf of: Defendant, Dennis E.
Defendant. : Byers
: Counsel for Plaintiff:
: J. Kipp Lukehart, Esquire
: Supreme Court I.D. 05865
: LUKEHART & LUNDY
: 219 East Union Street
: P.O. Box 74
: Punxsutawney, PA 15767
: (814) 938-8110

NOTICE TO PLEAD

To: Plaintiff, Karen J. Lee, formerly known as Karen J. Byers

You are hereby notified to file a written response to the enclosed Counterclaim within twenty (20) days from service hereof or a judgment may be entered against you.


J. Kipp Lukehart, Esquire

FILED 3CC
m/12/35/06 Atty Lukehart
DEC 11 2006
5
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL ACTION)

KAREN J. LEE, formerly known as :
KAREN J. BYERLS, :
: Plaintiff, : No. 06-1828-CD
Vs. :
: DENNIS E. BYERS, :
: Defendant. :
:

ANSWER TO COMPLAINT

AND NOW comes the Defendant, Dennis E. Byers, by and through his attorneys
Lukehart & Lundy, with the following Answer.

1. Admitted.
2. Admitted.
3. Admitted. Furthermore, in response, the parties were asked to and did execute an agreement with Victory Gas so that the Plaintiff was the sole payee of future royalties from the home and acreage in Bell Township, Clearfield County for her lifetime.
4. Admitted that the Defendant by the terms of the Post-Nuptial Agreement received sole title to the real estate located in the Mahaffey Borough and by further answer there was no restriction or reservation as to this property being conveyed to the Defendant and at all times the Defendant believed that he was to retain sole ownership without reservation other than the agreed provision that if and when the business was sold that the Plaintiff would receive an amount equal to ten percent (10%) of any net amount received up to Fifteen Thousand Dollars (\$15,000.00).

5. Admitted that Counsel for the Defendant, Attorney R. Denning Gearhart, prepared the Deed to the Defendant and placed a Stipulation in the Deed that reads "provided that the Deed retains and acquires for Karen J. Byers a sole and exclusive lifetime interest in any gas hereon." By way of further answer said reservation was only intended to reserve gas for the lifetime of the Plaintiff as to the house and acreage (24 acres, more or less) located in Bell Township, Clearfield County, as clearly indicated in the Post-Nuptial Agreement.

6. Admitted.

7. Admitted.

8. Admitted.

9. Denied and to the contrary, the Defendant, pursuant to the terms and conditions of the Post-Nuptial Agreement is entitled to any and all rents and royalties as to the Borough of Mahaffey, Clearfield County property and the Plaintiff is entitled to the lifetime gas rights for the property enumerated in the Agreement as the house and acreage located in Bell Township, Clearfield County.

10. Admitted.

11. Admitted and by way of further answer neither of the parties, to date, have received the gas royalties by virtue of the same being held in escrow by Victory Energy Corporation.

12. No answer required as this asserts a legal conclusion.

WHEREFORE, Defendant requests your Honorable Court to dismiss the Plaintiff's action and furthermore, pursuant to the hereinafter stated Counterclaim find in favor of the Defendant.

COUNTERCLAIM

As to the Defendants Counterclaim against the Plaintiff, the Defendant alleges:

1. The Post-Nuptial Agreement was and is a contract between the parties effectuating an economic settlement.
2. The Agreement in paragraph six (6) thereof clearly reserves to the Plaintiff, for her lifetime, the gas interest in and to the house and acreage located in Bell Township, Clearfield County.
3. The Agreement furthermore clearly provides that the Defendant is to become the sole owner of the Mahaffey Borough property, Clearfield County, and there is no provision or statement contained therein that the Plaintiff wife reserved any interest other than her right to receive a portion of the proceeds in the event the Defendant sold the business located on the property.
4. The Deed, erroneously, and contrary to the provisions of the signed Post-Nuptial Agreement, implies that the gas rights for the property located in the Borough of Mahaffey are granted to the Plaintiff for her lifetime when in fact that was not the intention of the parties nor contained in the Post-Nuptial Agreement.

WHEREFORE, Defendant requests your Honorable Court to:

- A. Declare that the Defendant is the sole owner of any and all gas rights for the property located in the Borough of Mahaffey;
- B. Declare that any and all rents or royalties payable by virtue of any gas lease agreement for the Borough of Mahaffey property be paid to the Defendant;

C. Declare that the Plaintiff be responsible for all of the Defendant's costs and legal fees;

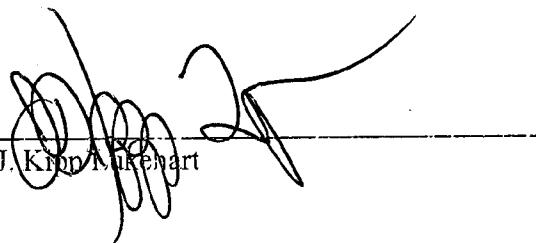
D. Such other relief as the Court may deem appropriate.

Respectfully submitted,

LUKEHART & LUNDY

BY:

J. Kipp Lukehart

A handwritten signature in black ink, appearing to read "J. Kipp Lukehart", is written over a horizontal line. The signature is fluid and cursive, with a large, stylized initial 'J' and 'K'.

VERIFICATION

I verify that the statements made in this Answer to Complaint and Counterclaim are true and correct. I understand that false statements herein are subject to the penalties of 18 Pa. C.S. Section 4904, relating to unsworn falsification to the authorities.

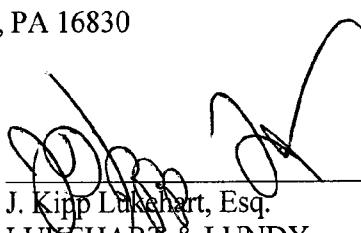
Dennis E. Byers

Dennis E. Byers, Defendant

CERTIFICATE OF SERVICE

I, J. Kipp Lukehart, Esquire, do hereby certify that a copy of the within Answer to Complaint and Counterclaim was served via first-class mail this 8th day of December, 2006, to the following:

Frederick M. Neiswender, Esquire
NEISWENDER & KUBISTA
211 ½ North Second Street
Clearfield, PA 16830



J. Kipp Lukehart, Esq.
LUKEHART & LUNDY
219 East Union Street
PO Box 74
Punxsutawney, PA 15767
(814) 938-8110

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102101
NO. 06-1828-CD
SERVICE # 1 OF 1
COMPLAINT FOR DECLARATORY JUDGMENT

PLAINTIFF: KAREN J. LEE formerly known as KAREN J. BYERS
vs.
DEFENDANT: DENNIS E. BYERS

SHERIFF RETURN

NOW, December 01, 2006 AT 10:34 AM SERVED THE WITHIN COMPLAINT FOR DECLARATORY JUDGMENT ON DENNIS E. BYERS DEFENDANT AT Meeting Place: KUNTZ CAR DEALERSHIP, MAHAFFEY, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO DENNIS BYERS, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT FOR DECLARATORY JUDGMENT AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: DAVIS / MORGILLO

FILED

FEB 15 2007
o/2:45 (WJS)
William A. Shaw
Prothonotary/Clerk of Courts

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	NEISWENDER	2235	10.00
SHERIFF HAWKINS	NEISWENDER	2235	37.97

Sworn to Before Me This

____ Day of _____ 2007

So Answers,

Chester A. Hawkins
by Marilyn Hark
Chester A. Hawkins
Sheriff

(A)

COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
CIVIL TRIAL LISTING

FILED

APR 02 2008

William A. Shaw
 Prothonotary/Clerk of Courts

CERTIFICATE OF READINESS		TO THE PROTHONOTARY	
(To be executed by Trial Counsel Only)		DATE PRESENTED	
CASE NUMBER 06-1828-CD Date Complaint filed: 11/6/06	TYPE TRIAL REQUESTED		ESTIMATED TRIAL TIME 1 1/2 DAYS
	<input type="checkbox"/> Jury	<input checked="" type="checkbox"/> Non-jury	
() Arbitration			

PLAINTIFF(S)

Karen J. Lee, formerly known as Karen J. Byers

()

Check Block
if a Minor
is a Party
to the Case

DEFENDANT(S)

Dennis E. Byers

()

ADDITIONAL DEFENDANT(S)

()

JURY DEMAND FILED BY:

N/A

DATE JURY DEMAND FILED:

N/A

AMOUNT AT ISSUE

CONSOLIDATION

**DATE CONSOLIDATION
ORDERED**

\$

() Yes No

PLEASE PLACE THE ABOVE CAPTIONED CASE ON THE TRIAL LIST.

I certify that all discovery in the case has been completed; all necessary parties and witnesses are available; serious settlement negotiations have been conducted; the case is ready in all respects for trial, and a copy of this Certificate has been served upon all counsel of record and upon all parties of record who are not represented by counsel.


 Signature of Trial Counsel

COUNSEL WHO WILL ACTUALLY TRY THE CASE

FOR THE PLAINTIFF: Frederick M. Neiswender 211 1/2 N. Second Street Clearfield, PA 16830	TELEPHONE NUMBER 814-765-6500
FOR THE DEFENDANT: J. Kipp Lukehart, Lukehart & Lundy 219 East Union Street Punxsutawney, PA 15767	TELEPHONE NUMBER 814-938-8110
FOR ADDITIONAL COUNSEL	TELEPHONE NUMBER

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
CIVIL DIVISION

KAREN J. LEE, formerly known as :
KAREN J. BYERS :
vs. : No. 06-1828-CD
DENNIS E. BYERS :
:

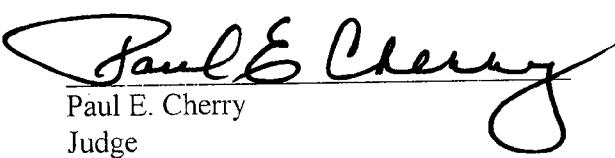
FILED

APR 08 2008
61247/c
William A. Shaw
Prothonotary/Clerk of Courts

CERT. TO ATTY
WESWENEN
+
LUFHANT

AND NOW, this 8th day of April, 2008, it is the ORDER of this (GP)
Court that Pre-Trial Conference in the above captioned matter shall be and is hereby
scheduled for May 6, 2008 at 11:00 A.M. in Judge's Chambers, Clearfield County
Courthouse, Clearfield, PA.

BY THE COURT:


Paul E. Cherry
Judge

DATE: APR 09 1971
You are responsible for serving all appropriate parties.
The Prothonotary's Office has provided service to the following parties:
 Plaintiff(s) Plaintiff(s) Attorney Other
 Defendant(s) Defendant(s) Attorney Other
 Special Instructions:

FILED

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

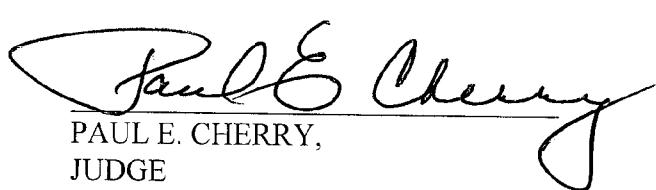
KAREN J. LEE, f/k/a KAREN J. BYERS : NO. 06-1828-CD
V. :
DENNIS E. BYERS :
:

ORDER

AND NOW, this 6th day of May, 2008, following Pre-Trial Conference, it is the
ORDER of this Court as follows:

1. Bench Trial in this matter is scheduled for August 1, 2008, beginning at 9:00 o'clock A.M., before Honorable Judge Charles C. Brown, Jr., Senior Judge, Specially Presiding, in Courtroom No. 1 of the Clearfield County Courthouse, Clearfield, Pennsylvania.
2. Counsel for the parties shall submit a Trial Brief to the Court no more than forty-five (45) days from this date.

BY THE COURT,


PAUL E. CHERRY,
JUDGE

FILED *2cc Atys:*
011:54 PM
MAY 06 2008 *Reiswender*
William A. Shaw *Lukhart*
Prothonotary/Clerk of Courts *(el)*

FILED

MAY 06 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 5/6/08

You are responsible for serving all appropriate parties.
 The Prothonotary's office has provided service to the following parties:
 Plaintiff(s) Plaintiff(s) Attorney Other
 Defendant(s) Defendant(s) Attorney
 Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

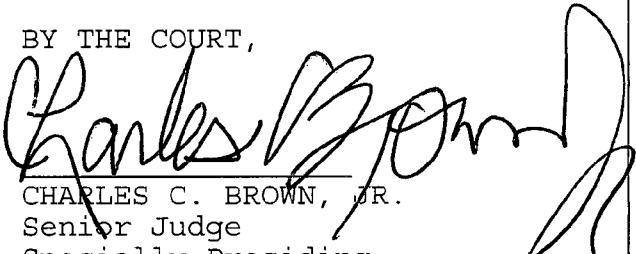
CIVIL DIVISION

KAREN J. LEE, formerly known :
as KAREN J. BYERS :
VS. : NO. 06-1828 -CD
DENNIS E. BYERS :
:

STIPULATED ORDER

AND NOW, this 1st day of August, 2008, this being the date set for civil nonjury trial; the parties having reached a settlement in regard to the above-captioned matter, it is hereby ORDERED and DECREED that any and all oil and oil royalties and gas and gas royalties presently held in escrow and all future oil and oil royalties and gas and gas royalties derived from six (6) acres, more or less, presently leased to Victory Energy Corporation, shall be divided 50 percent unto Karen J. Lee, her heirs and assigns, and 50 percent unto Dennis E. Byers, his heirs and assigns.

BY THE COURT,


CHARLES C. BROWN, JR.
Senior Judge
Specially Presiding

FILED 2cc Atlys:
01/10/00/04 Neiswender
AUG 01 2008 Lukehart

William A. Shaw (in person)
Prothonotary/Clerk of Courts
60

Date: 7/24/2008

Clearfield County Court of Common Pleas

User: LMILLER

Time: 10:44 AM

ROA Report

Page 1 of 1

Case: 2006-01828-CD

Current Judge: Paul E. Cherry

Karen J. Leevs.Dennis E. Byers

Civil Other-COUNT

Date		Judge
11/6/2006	New Case Filed.	No Judge
	X Filing: Action for Declaratory Judgment. Paid by: Neiswender, Frederick M. (attorney for Lee, Karen J.) Receipt number: 1916334 Dated: 11/06/2006 Amount: \$85.00 (Check) 3CC Atty.	No Judge
12/11/2006	X Answer and Counterclaim, filed by s/ J. Kipp Lukehart Esq. 3CC Atty Lukehart.	No Judge
2/15/2007	X Sheriff Return, December 1, 2006 at 10:34 am Served the within Complaint for Declaratory Judgment on Dennis E. Byers. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm Shff Hawkins costs pd by Neiswender\$47.97	No Judge
4/2/2008	X Certificate of Readiness for Trial, NON JURY, filed by Atty. Lukehart 3 Cert. to Atty.	No Judge
4/8/2008	X Order, this 8th day of April, 2008, it is Ordered that Pre-Trial Conference is Paul E. Cherry scheduled for May 6, 2008 at 11:00 a.m. in Judge's Chambers. By The Court, /s/ Paul E. Cherry, Judge. CC to Attys: Neiswender & Lukehart	Paul E. Cherry
5/6/2008	X Order, this 6th day of May, 2008, following Pre-Trial Conference, it is Ordered that: 1. Bench Trial is scheduled for August 1, 2008 at 9:00 a.m. before Honorable Judge Charles C. Brown, Jr., Senior Judge, in Courtroom 1. 2. Counsel for the parties shall submit a Trial Brief to the Court no more than 45 days from this date. By The Court, /s/ Paul E. Cherry, Judge. 2CC Atty: Neiswender, Lukehart	Paul E. Cherry

Martha Jane Spimelli
Barbara J. McNaul
Kathryn Collier
Richard Peles
Jenine McNaul Campbell
Robert A. Derr
John M. Derr
Frances A. Gattuso
William D. McNaul
Sonya Lea Hart
Sonya Lea McNaul
Ardath Morgan
Ralph Monaco
Ann Argo
Allan A. McNaul
Michael D. McNaul
George E. Bender
Patricia M. Bender
David W. McNaul
Virginia McNaul
Richard Gattuso
Martha L. McNaul
Sally M. Goss
Anna M. Martinez
Selma A. Johnson
Jared McNaul
David McNaul
County National Bank
Leon C. Carberry
Hannah R. Stoeckum
Eleanor M. Nixon
Elaine H. Gilliland

NO.: 2008-00881-CD

vs.

James H. Gilliland

SUMMONS

CIVIL ACTION
CLEARFIELD COUNTY PENNSYLVANIA
IN THE COURT OF COMMON PLEAS OF