CONTINUING GUARANTY OF CREDIT

STATE OF TEXAS §

COUNTY OF PARMER §

For valuable consideration, the receipt of which is hereby acknowledged, and further in consideration of the credit given and subsequently to be given by Kendrick Oil Co., Inc, referred to in this instrument as KENDRICK, to *(account name)*_____, referred to in this instrument as DEBTOR, I, *(signed name)* _____ of *(address)* _____, guarantee to KENDRICK, its assignees and transferees, the payment and other indebtedness of whatever nature, upon for which the DEBTOR is or may subsequently become obligated to KENDRICK.

I waive notice of acceptance of this guaranty by KENDRICK as to present and future obligations, indebtedness and liability of the DEBTOR to KENDRICK. I waive presentment, demand, protest, notice of protest and notice of dishonor as to each and all terms constituting the indebtedness or obligation hereby guaranteed. No renewal or extension of time of payment of any indebtedness shall affect my liability under this instrument, whether made before or after written notice of revocation of this guaranty is given.

This guaranty is given by me without regard to any security or otherwise, and shall be effective as to any indebtedness or liability as if no other guaranty or security had been provided for such indebtedness. I agree that no discharge of any party liable thereon shall affect my liability on this guaranty. I waive all rights of subrogation to any remedies of KENDRICK until the entire indebtedness of the DEBTOR shall be fully discharged.

This is an absolute and continuing guaranty and is not conditioned upon any other person or party signing the same. It shall, as to me, continue in full force and effect, notwithstanding the debt, withdrawal or release of any co-guarantor or co-surety, both as to obligations of the DEBTOR then existing of the character here guaranteed and/or thereafter created.

In case of default in the payment of any indebtedness or liability guaranteed thereby, there shall be added to such indebtedness or liability, and I will pay, all expenses, costs and attorney's fees incurred by KENDRICK either in collection or attempting to collect the same or any sums payable under this instrument.

My liability on this guaranty shall remain in full force and effect until written notice of revocation or written notice of my death shall have been actually received by KENDRICK, and such notice shall not affect my liability under this instrument as to any and all obligations and indebtedness of the DEBTOR created before the receipt of such notice, and any renewals thereof. Nothing shall affect my liability or the liability of my heirs, executors and assigns on this guaranty except the receipt of such written notice or the cancellation and surrender of this guaranty by KENDRICK.

KENDRICK shall be under no obligation to notify me of any additional advances made or further credit extended to the DEBTOR and may rely upon this guaranty to protect any and all additional advances.

It is agreed that the provisions of this guaranty shall inure to the benefit of the transferees and assigns of KENDRICK to the same extent as if they had been named in this instrument as parties entitled to the benefit of this guaranty, and that the provisions of this guaranty shall apply to and bind my heirs, executors, administrators, successors, and assigns.

SIGNED this _____ day of _____, 20_____.

_____
Signature

_____
Printed Name of Signer