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Continuing Guaranty (Individual)

Please Note: This Individual Continuing Guaranty may be required of the principal applicant('s) who is (are) the principle('s) or owner('s) of a small and/or closely held corporation or limited liability company where the corporation/ LLC has insufficient credit, capital or capacity to support, on its own, the requested credit line. Please do not execute or forward this Individual Continuing Guaranty to Quality Oil & Gas Company until required.

For valuable consideration, each of the undersigned ("Guarantor"), jointly and severally, unconditionally guarantees to Quality Oil & Gas Company("the Creditor") the full, prompt, and complete payment and performance of all sums, moneys, notes, loans, indebtedness, leases, or lease payments that shall at any time be due and payable to the Creditor and its successors and assigns, from ("Debtor"), whether now owing or hereafter contracted, absolute or contingent, including all liabilities or obligations that Debtor has incurred or may incur or from other dealings by which the Creditor may become in any manner a creditor of Debtor (collectively the "Obligations"). Guarantor further agrees to verification of their credit worthiness through credit reporting agencies.

This Guaranty is a continuing guaranty and shall not be considered wholly or partially satisfied by the payment at any time of any sum or amount, due or hereafter owing upon any Obligation, but shall continue until terminated by written notice actually received by the Creditor and shall then continue, notwithstanding such termination, as to any Obligation created or incurred by Debtor prior to such receipt of termination.

To the extent permitted under applicable law, Guarantor waives: (i) notice of acceptance, all notices and consents of any kind, protest, dishonor, non-payment, and demand for presentment; (ii) until the Obligations are irrevocably paid in full any claim, right, or remedy which Guarantor may now have or hereafter acquire against Debtor including the right of subrogation; and (iii) all exemptions, homestead laws, and defenses given to sureties and guarantors other than the complete fulfillment performance and payment of all Obligations.

The liability of each Guarantor is direct and unconditional. Guarantor acknowledges that the Creditor would not have entered into any transaction with Debtor without this Guaranty and that the Obligations are of substantial benefit to Guarantor. The Creditor may proceed against each Guarantor without resorting to any other right, remedy, security, or entity. All of the Creditor's remedies for the Obligations or this Guaranty are cumulative. Guarantor agrees that the Creditor may extend any deadline or payment due date, modify any agreement, defer acceleration, postpone the enforcement of any agreement, and release or add any collateral and any party primarily or secondarily liable without affecting the liability of any Guarantor. There are no conditions precedent to this Guaranty.

Guarantor represents and warrants to the Creditor that this Guaranty has been duly executed and delivered and is enforceable against Guarantor in accordance with its terms. In the event of any dispute regarding this Guaranty, Guarantor agrees to pay all costs and expenses of the Creditor, (including reasonable attorney's fees and expenses) incurred in connection with such dispute, regardless of whether litigation or other action is instigated.

This Guaranty constitutes the entire agreement of the Guarantor regarding the guaranty of Debtor's Obligations. No amendment, modification or waiver of any provision of this Guaranty shall be valid unless in writing and executed by an officer of the Creditor. This Guaranty shall extend to and bind the heirs, executors, and administrators, successors and assigns of each of Guarantor and the Creditor.

This Guaranty shall be governed by the internal laws of the State of North Carolina. Any provisions contrary to, prohibited by, or invalid under applicable laws or regulations shall be revised to the minimum extent necessary to make such provision enforceable, but shall not invalidate the remaining provisions of this Guaranty.

The undersigned agrees to pay all expenses for collection fees (including attorney fees) incurred by Quality Oil & Gas Company, which the parties hereby fix at 25% of any balance due plus court costs in addition to the past due balance owed by applicant, or in enforcing this Guaranty Agreement

Time is of the essence of this Guaranty.

Signature of Guarantor _____

Signature of Guarantor _____

Print Name: _____

Print Name: _____

SSN: _____

SSN: _____

Address: _____

Address: _____

Signatures(s) of Guarantor(s) are required to be either notarized or witnessed by two (2) witnesses.

Witness: _____

Witness: _____

Print Name: _____

Print Name: _____

State of: _____

County of: _____

I, _____, do hereby certify that [name(s)] _____

personally appeared and executed this Guaranty before me this _____ day of _____, in the year of _____.

Signature of Notary Public _____ [SEAL]