

WITNESSETH:

WHEREAS, THE contracting parties have heretofore entered into certain agreements, to wit: Agreement dated Jan. 15, 1941 on first \$7500.00; agreement dated July 23, 1941, on 2% assignment; agreement dated August 7th 1941 on second \$7500.00; agreement dated Jan. 8th 1942 for \$1760.00 on Noble Lease; agreement dated June 1942, on \$75.00 each to test Eldredge Well.

WHEREAS, under said agreement the costs of drilling, operating and producing from the lands described in said agreement was to be carried on by contribution of 10% of the net returns from all oil and/or gas produced and sold from their respective interests; and there being no sale for the gas produced from the wells drilled by the contracting parties and no drilling fund having been accumulated to carry on further drilling operations; it now becomes necessary to make different arrangements in order for the contracting parties to retain their interests in the leases and operating agreements described above and to carry on drilling operations until oil can be produced in commercial quantities.

NOW, THEREFORE, in consideration of \$1.00, each in hand paid to the other, the receipt of which is hereby acknowledged and in further consideration of the mutual covenants and agreements hereinafter contained, it is hereby agreed between the parties as follows as follows, to wit:

1. That the contracts heretofore entered into between the contracting parties be, and the same are hereby cancelled and terminated.

2. That First Parties are hereby authorized and instructed to enter into an agreement with H. H. Howell of Alice, Texas on the terms and conditions set forth in Exhibit "A" attached hereto and made a part hereof.

3. That in lieu of the interests and holdings acquired by Second Parties as set out in the original contracts, Second Parties agree to accept and First Parties agree to deliver upon execution and delivery of the Howell agreement an assignment to each, of the same proportionate interest as he has heretofore had in the contracts now cancelled and terminated hereby in:

(a) one-fourth (1/4) interest in and to the 12- 160 acre blocks retained by First Parties in the Howell Agreement,

(b) One-Fourth (1/4) of \$200,000.00 subject to the assignment to C. Ed. Lewis,

(c) One-fourth (1/4) of all payments from gas royalties received under the contract Exhibit "A".

(d) That Second Parties are to receive each a sum equal to the amount advanced by them under the original contracts, from any royalties received by contracting parties from the Howell contract or from the 12-160 acre blocks retained by them.

During the term of the present subsisting oil and gas leases thereon, subject only to the following charges and interests:

(a) The royalties due and payable under the leases or operating agreements covering the above described land.

(b)

(b) 10% overriding royalty to C. Ed. Lewis until the sum of \$57,000.00 has been paid from leases owned by Wyoming Petroleum Corporation.

(c) 1% overriding royalty to P. W. Spaulding from the SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 10, Township 29 North, Range 113 West, 6 P. M., Sublette County, Wyoming.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their signatures this 12th day of August, 1942.

Clarence I. Justheim
Clarence I. Justheim

J. H. Morgan
J. H. Morgan First Parties

Reid E. Holt
Reid E. Holt

L. E. Arnold
L. E. Arnold

M. A. Strand
M. A. Strand

H. O. Sanford
H. O. Sanford

Milton E. Lipman
Milton E. Lipman

W. R. Brown
W. R. Brown

E. P. Mills
E. P. Mills per. J. H. M.

E. O. Craig
E. O. Craig per. J. H. M.

J. H. Myers
J. H. Myers

Wm. M. McCrea
Wm. M. McCrea

W. G. Ruckenbrod
W. G. Ruckenbrod

Lincoln G. Kelly
Lincoln G. Kelly

Lewis Telle Cannon
Lewis Telle Cannon

Hyrum Petersen
Hyrum Petersen

Clyde Early
Clyde Early

H. Eugene Glenn
H. Eugene Glenn

A. C. Wherry
A. C. Wherry

Theo. E. Wherry
Theo. E. Wherry By A. C. W.