

Lessee shall pay all taxes on its improvements and on oil in storage on the assessment date for taxes of each year and seven-eighths (7/8) of any mineral rights, production severance franchise or licensing tax or fee imposed by ordinance computed or based upon or measured by the production of oil and/or gas which may be levied, assessed or imposed by the United States, the state in which the said lands are located, or any county, municipal, political or other subdivision thereof. Lessor shall pay the balance of any or all other taxes or assessments, including one-eighth (1/8) of mineral rights or taxes above listed, including also one-eighth (1/8) of taxes on oil in storage if at the time of assessment Lessee is delivering to the credit of Lessor Lessor's royalty share of oil.

Lessee, at its option, may pay and discharge any liens such as but not limited to taxes, mortgages, and encumbrances which may now or hereafter attach to said lands in which event Lessee shall be subrogated to the rights of the holder or holders thereof and may, in addition thereto, at its option, reimburse itself by applying to the amounts owing to Lessee by such subrogation any royalties, rentals or other sums accruing hereunder.

In case said Lessor owns a less interest in the above described lands than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said Lessor only in the proportion which his interest bears to the whole and undivided fee.

Upon Lessor's consent first had and obtained, Lessee is authorized to enter into cooperative or unit development contracts or plans with owners, operators and other lessees of oil and gas lands in the area, field or pool embracing all or part of the lands covered hereby, and Lessee is authorized to subject all or any part of the said lands of Lessor to one or more of such cooperative or unit development contracts or plans. Lessee's obligation under this lease shall be fully satisfied by operations conducted on any lands covered by said contracts or plans. Lessor shall, at Lessee's request, execute as a party signatory thereto any such cooperative or unit development contract or plan to which Lessor's consent has been obtained. Any such cooperative or unit development contract or plan and the terms, covenants and conditions therein contained, in so far as they affect lands of the United States, shall be subject to approval of the Secretary of the Interior of the United States.

Lessee, if requested by Lessor, shall bury all pipe lines on cultivated portion of said lands below plow depth and shall not drill, without consent of Lessor, any well nearer than two hundred (200) feet from the main house or barn now on said lands.

Lessee shall have the right at any time to remove all machinery and fixtures, either heretofore or hereafter placed on said premises, whether or not affixed to the land, including the right to remove casing.

Lessee agrees to pay all reasonable damages directly occasioned by its operations to crops and hay on said lands.

Lessor hereby releases and waives all rights of homestead, courtesy or dower and other exemption laws of the state in which the said lands are situate. Lessor expressly acknowledges and declares that the payment received by Lessor for this lease at the time of execution thereof is a good, valid and substantial consideration and sufficient in all respects to support each and every covenant contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first hereinabove written.

Witness

THE FEDERAL LAND BANK OF OMAHA

By H. A. Viergutz
Vice President

Witness

ATTEST:

Wayne E. Smith
Secretary

(GENERAL PETROLEUM CORPORATE SEAL)

Lessor

(FEDERAL LAND BANK CORPORATE SEAL)

GENERAL PETROLEUM CORPORATION OF CALIFORNIA

By Ben E. Parsons
Vice-President

By J. M. Jessen
Assistant Secretary

Lessee

STATE OF _____)
COUNTY OF _____)
SS.

On this _____ day of _____, 19_____, before me, _____ a Notary Public in and for said county, said state, personally appeared _____ to me known to be the person described in and who executed the foregoing instrument, and acknowledged that _____ executed and delivered the same as _____ free act and deed for the uses specified therein (including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and the effect of signing and acknowledging the said instrument.)

WITNESS my hand and official seal this _____ day of _____, 19_____.
My commission expires: _____, Notary Public

INITIALS DATE AUTHORIZED BY B M P 8/29/45 APPROVED AS TO FORM FOR LEGAL DEPT. JMJ _____
NOTED FOR CONTRACT DEPT. _____ DESCRIPTION CHECKED C. S. 8/29/45

STATE OF NEBRASKA)
COUNTY OF DOUGLAS }
SS.