

OIL AND GAS MINING LEASE

This agreement, made this 3RD day of FEBRUARY, 1954, between Charles P. Noble and Francis M. Noble, husband and wife, of Sublette County, Wyoming, Lessors, and Belco Petroleum Corporation, 47 Rodney Street, Brooklyn, New York, Lessee, Witnesseth:

1. Lessor, in consideration of Ten and 00/100 (\$10.00) Dollars in hand paid, and other good and valuable consideration, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of testing, by any method or methods, for formations of structures, investigating, exploring, prospecting, drilling and mining for and producing oil, gas, and all other minerals, laying pipe lines, building tanks, power stations, telephone lines, and other structures thereon, to produce, save, take care of, treat, transport, and own said products, and for all appliances or structures, equipment, servitudes and privileges which may be necessary, useful or convenient in connection with any such operations conducted by lessee thereon, and for the construction and maintenance of roads and bridges incident thereto, the following described land in the County of Sublette, State of Wyoming, to-wit:

TOWNSHIP 29 NORTH, RANGE 113 WEST, 6TH P.M. WYOMING

Sec. 11: NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$
Sec. 12: W $\frac{1}{2}$ NW $\frac{1}{4}$.

For the purpose of calculating the rental payments for which provision hereinafter is made, said land shall be treated as comprising 320 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of five years from date hereof (called "primary term") and so long thereafter as oil, gas, or other mineral is produced from the land hereinabove described, and, in the event of a shut in gas well, so long thereafter as said shut in gas well is produced as hereinafter specifically defined.

3. The royalties to be paid Lessor are; (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase; (b) on gas, including casinghead gas or other gaseous substance in the manufacture of gasoline or other products, the market value at the well of one-eighth of the gas sold or used, provided that on gas sold at the well the royalty shall be one-eighth of the amount realized from such sale; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election. Lessee shall have free use of oil, gas and coal, wood and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used. Lessor shall have the privilege at his risk and expense of using gas from any gas well on said land for stoves and inside lights in principal dwelling thereon out of any surplus gas not needed for operations hereunder.

4. If operations for drilling are not commenced on said land on or before the 3RD day of FEBRUARY, 1955, the lease shall then terminate as to both parties unless on or before such date lessee shall pay or tender to lessor or to the credit of lessor in the STATE BANK OF BIG PINEY, at BIG PINEY WYO. (which bank and its successors shall