

216

First Party hereby makes, constitutes and appoints Second Party First Party's attorney-in-fact for First Party, with full power of substitution, and in First Party's place and stead to execute, make and deliver each and all of the instruments which in this paragraph numbered 4 First Party has agreed to make or execute, and to do and perform any and all acts and things which in this paragraph numbered 4 First Party agreed to do or perform.

5. For the consideration aforesaid, Second Party is hereby granted, during the above specified option period, the right, or rights, First Party may now have or hereafter acquire, to examine and make geological and geophysical surveys on the above described land.

6. First Party further agrees to give, without cost to Second Party, such assistance to Second Party in connection with the obtaining of any required approval of the Secretary of the Interior to any assignment or assignments made hereunder of said oil and gas lease, and the formation of the above mentioned cooperative or unit plan as may reasonably be required by Second Party, and First Party further agrees from time to time to execute any such further instruments and such other additional assurances as Second Party may request and as may be proper and necessary in order to vest in Second Party the lease interest to which Second Party, under the provisions hereof, is, or may be, entitled, or to carry out the spirit and intent of this agreement.

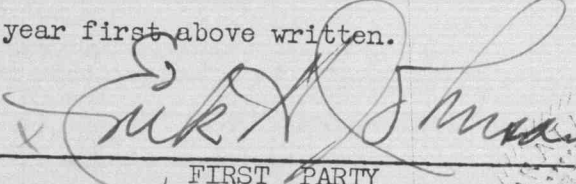
7. Notwithstanding any of the other provisions hereof, Second Party may surrender to First Party Second Party's rights hereunder, in whole or in part, at any time or from time to time by notifying First Party of the lands with respect to which Second Party desires to surrender said option. Upon such notice being given, this agreement shall forthwith terminate as to the lands described in such notice, and the parties hereto shall thereafter be released from their respective obligations hereunder with respect to said lease, insofar as the same cover the surrendered lands, excepting only Second Party's obligation hereunder with respect to rental payments, as above provided in paragraph numbered 3.

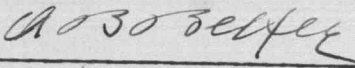
8. Any notice required or permitted to be given under the provisions of this instrument shall be deemed to be fully given if given in writing and personally delivered to the party entitled to receive the same, or sent by postpaid, registered mail, addressed to such party, at such party's above mentioned address, or such other address as such party may have furnished the other party in writing.

9. The provisions hereof including the power of attorney shall extend to any extension, renewal or new lease affecting the above lands which First Party may acquire or have the right to acquire and First Party agrees to take any and all action required to be taken to secure any such extension, renewal or new lease.

10. This Agreement shall be binding upon and inure to the benefit of the successors in interest of the Parties hereto, and the powers of attorney hereinabove granted shall be deemed powers coupled with an interest. Second Party shall have the right to assign all rights, powers and privileges acquired by Second Party hereunder, and in any such assignment may substitute Second Party's assignee or the nominee of such assignee as the true and lawful attorney-in-fact of First Party to exercise each of the powers above granted to Second Party.

Signed and delivered the day and year first above written.


FIRST PARTY
BELCO PETROLEUM CORPORATION


A. B. Belfer, President
SECOND PARTY