

FARMOUT AGREEMENT

57036

RECORDED - September 12, 1956 at 10:30 A.M.
 IN BOOK 160 & 17 - PAGE 3.
 FEES \$5.60
 COUNTY CLERK
 SUBLETTE COUNTY, PINEDALE, WYOMING

THIS AGREEMENT, made and entered into this 15th day of August, 1956, between GULF OIL CORPORATION, P. O. Box 661, Tulsa, Oklahoma, hereinafter called "Gulf", First Party, and BELCO PETROLEUM CORPORATION, a Delaware corporation, Suite 1601-08, 42 Broadway, New York City, New York, hereinafter called "Belco", Second Party,

WITNESSETH
 That,

WHEREAS, Gulf is the holder of an oil and gas mining leasehold interest evidenced by Oil and Gas Lease dated July 1, 1954, as amended on September 28, 1955, executed by Enger K. Chrisman, et al., as lessor, to Gulf Oil Corporation, as lessee, covering among other lands, the following described land situated in Sublette County, Wyoming, to-wit: "

Township 29 North, Range 112 West 6th P. M.
 Section 18: Lots 1 and 2, E/2 NW/4

Township 29 North, Range 113 West 6th P. M.
 Section 11: E/2 SW/4, SE/4
 Section 12: NW/4 SW/4, S/2 S/2
 Section 13: N/2 N/2, SE/4 NE/4, SE/4, SE/4 SW/4
 Section 14: N/2 NE/4
 Section 24: N/2 NE/4

hereinafter referred to as the "Assigned Acreage"; and,

WHEREAS, Belco has represented that it would drill certain wells on the assigned acreage, as hereinafter set forth, in order to earn the transfer to it of all of Gulf's interest therein, subject to the reservation of an overriding royalty of seven percent (7%); and,

WHEREAS, Gulf, in reliance upon such representations and the covenants and conditions herein contained, has concurrently with the execution hereof, transferred and delivered to Belco its operating rights and working interest in and to the Assigned Acreage by execution and delivery to Belco the original of the Assignment hereto annexed as Exhibit 1.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements herein contained, it is agreed by and between the parties as follows, to-wit:

on or before 20 days after receipt by Belco of executed copy of this agreement,
 1. Initial Well, Belco agrees, ~~on or before the~~ 15th day of August, 1956, to commence, or cause to be commenced, operations for the drilling of an initial well for the production of oil or gas at a location on the Assigned Acreage, more particularly described as follows, to-wit:

East Half of the Southwest Quarter (E/2 SW/4)