

will execute, acknowledge and deliver to Second Party, or to such party as Second Party may designate, an assignment (on a form satisfactory to Second Party) of the said lease covering the lands as to which this option may be exercised, or an operating agreement (on a form satisfactory to Second Party) giving and granting unto Second Party the right to enter upon and drill and operate said lands as to which this option may be exercised, for the production of oil and gas in accordance with the exercise of this option, reserving, however, an overriding royalty of One per cent (1%) of the oil and gas remaining after the payment of Government royalty, produced and marketed under said lease from the lands as to which this option may be exercised, or attributable thereto under such unit or cooperative plan and to do any and all things necessary and proper in securing the approval of said assignment or said operating agreement.

In the event any rentals should become due under said lease or any premiums should become due under the lease bond furnished in connection with said lease insofar as the above lands are concerned, subject to the right of surrender hereinafter provided, Second Party shall, on notice from First Party, pay said rentals and premiums.

Second Party may at any time surrender all or any part of the above described lands and cancel and terminate this agreement as to the lands surrendered, by placing in the mails of the United States a letter addressed to First Party at First Party's address herein shown or at such other address as First Party may have furnished in writing to Second Party, so notifying First Party of Second Party's intention and thereupon this agreement shall cease and terminate as to the lands so surrendered, and both parties hereto shall be released from all further obligations hereunder as to the lands so surrendered.

During the term hereof, this agreement shall be in full force and effect with respect to the above-described lease or any other lease issued to or applied for by First Party covering the lands above-described, or any part thereof, whether as a renewal of an extension of the above-described lease or otherwise. In the event the United States should return to First Party any rentals or other payments which had been paid by Second Party, or for which Second Party had reimbursed First Party, then First Party shall promptly repay any such sums to Second Party.

Nothing herein contained shall be construed as giving Second Party the right to drill for or produce oil or gas from the lands above described prior to exercise of this option.

The provisions hereof shall be deemed to be covenants running with said land and leasehold and shall run in favor of and be binding upon the parties hereto, their heirs, administrators, executors, successors, and assigns.

Executed the day and year first above written.

WITNESS:

E. R. Kibbey

Assistant Secretary

Albert G. Bertagnoli
First Party

ATTEST:

C. L. Leonard

Assistant Secretary

MOUNTAIN FUEL SUPPLY COMPANY
Second Party

M. M. Tidwell
Vice President

STATE OF WYOMING
County of Sweetwater } ss.

On this 16th day of November, 1955, before me, the undersigned notary public personally appeared *Albert G. Bertagnoli* to me known to be the person or persons described in and who executed the foregoing instrument, and acknowledged that he had executed the same as his free and voluntary act and deed.

Witness my hand and official seal the day and year in this certificate first above written.

My Commission expires: *May 2, 1959*

Steve Mahanovich
Notary Public

STATE OF
COUNTY OF } ss.

On the day of 19....., personally appeared before me the signer of the above instrument who duly acknowledged to me that executed the same.

My Commission expires: Notary Public
Residing at

58162

RECORDED January 25 1957 11:45 A.M.
IN BOOK 16 OF PLAT PLANS PAGE 330
FEES \$1.50 *M. Summers* COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING