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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Land Office
Box 929, Cheyenne, Wyoming

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Wyoming 05689(A)

Certified Mail

Date March 25, 1957

DECISION

Joseph R. Taucher
4126 South 1175 East
Salt Lake City, Utah

Oil and Gas

Lease Subject to Extension or Continuation
Upon Termination of Unit Agreement

Pursuant to action of the Geological Survey approving termination or contraction of the Deadline Ridge unit agreement, Sublette County, Wyoming, effective as of November 1, 1956, the above-numbered oil and gas lease is no longer committed to a unit plan of operation.

The regulations 43 CFR 192.123, provide that any lease eliminated from any approved or prescribed cooperative or unit plan, and any lease in effect at the termination of such plan or agreement, unless relinquished, shall continue in effect for the original term of the lease or for 2 years after elimination from the plan or agreement or termination thereof, whichever is longer, and so long thereafter as oil or gas is produced in paying quantities. This provision has been interpreted to mean that the lease term may be continued for two years from the date of termination of a unit, as to a lease not otherwise subject to continuation or extension, and at the election of the lessee.

The owner of a lease in its primary term, with few exceptions, is entitled to a 5-year extension upon application therefor filed within 90 days preceding expiration of the term, which is the case with regard to the subject lease. Any prior decision providing otherwise will be vacated upon application for 5-year extension. Application for extension forms are furnished herewith.

Any lease extension or continuation granted will be conditioned upon payment of rentals as they become due to the Bureau of Land Management. Applications for extension are required to be accompanied by a filing fee of \$10, and rental of 50¢ per acre for the sixth lease year.

Thirty days from notice hereof are allowed within which to accept or decline the 2-year extension indicated, failing in which the lease will be deemed to have terminated with termination of the unit.

RECEIVED

MAY 14 1957

MOUNTAIN FUEL SUPPLY CO.
Legal & Land
Rock Springs, Wyoming

Edward L. Smith
Acting Manager

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