

Option Agreement

THIS AGREEMENT, made and entered into in quadruplicate this 26th day of February 19 57,

by and between Donald E. Allen, a married man

hereinafter called "First Party", whether one or more, whose address for all purposes of this agreement is

2018 Pebrican Avenue, Cheyenne, Wyoming

and Sinclair Oil & Gas Company, a Maine Corporation

hereinafter called "Second Party", and the address of Second Party for all purposes of this agreement is

P.O. Box 521, Tulsa, Oklahoma

WITNESSETH: THAT,

WHEREAS, pursuant to law, First Party has either made an application or offer for, or has been issued an oil and gas lease, designated

as Wyoming Serial Number 06008 upon the following described lands belonging to the

United States of America, situate in the County of Sublette, State of Wyoming, to-wit:

Township 31 North, Range 11 $\frac{1}{4}$ West, 6th P.M., Wyoming

Section 5: Lots 1, 2, 3, S/2 NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$,

Township 32 North, Range 11 $\frac{1}{4}$ West, 6th P.M., Wyoming

Section 20: S/2 S/2,
21: SW $\frac{1}{4}$,
29: All
32: N/2, SE $\frac{1}{4}$, E/2 SW $\frac{1}{4}$,

containing 176 $\frac{1}{4}$.81 acres, more or less

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid by Second Party to First Party, receipt of which is hereby confessed and acknowledged, and in consideration of the promises, covenants and agreements made herein and to be kept and performed, it is hereby agreed by and between the parties hereto as follows:

A. The term "Second Party", as used in this agreement, shall include the Second Party's heirs, executors, administrators, representatives, successors and assigns, and the term "Application" as used herein shall include "offer to lease" and "offer to lease and lease for oil and gas".

The term "First Party", as used herein, shall refer to and include all of the persons, firms and corporations collectively designated as First Party, their heirs, executors, administrators, representatives, trustees, successors and assigns.

The term "lease" as used herein shall, without limitation, include any and all applications or offers for lease, leases, extension, renewal, preference right, new, substitute or other leases issued pursuant to law or regulations.

B. The rights and options of Second Party under this agreement are assignable in whole, in part, or in undivided interests, and inure to the benefit of the heirs, representatives, administrators, executors, successors and assigns of Second Party, and shall be binding upon all of the persons, firms and corporations designated as First Party herein, and each of them, and on their respective heirs, representatives, administrators, executors, trustees, successors and assigns.

C. For the purpose of serving any notice hereunder by Second Party on First Party, such notice shall be deemed to have been served upon First Party, whether or not the same shall actually be received by First Party, when addressed to First Party at First Party's address above stated and then either enclosed in an envelope and deposited in the United States mail with postage thereon prepaid, or filed with any telegraph company with all charges thereon prepaid. Should any person named as First Party die, any notice hereunder may be likewise served upon any administrator, executor, personal representative or heir of such deceased person, and when so served, shall bind each and all of the administrators, executors, personal representatives and heirs of such deceased person, and the right, title, interest and estate of each and all of them in said oil and gas lease. All persons, firms and corporations designated as First Party, and each of them, agrees that any such notice so served on any one of them, or on an administrator, executor, personal representative or heir of any deceased person whose name is included in the designation of First Party, whether or not the said notice shall be actually received, shall be binding upon each and all of the persons, firms and corporations included within the designation of First Party, their heirs, representatives, administrators, successors and assigns, and upon their respective interests and estates in the lands and lease above described. The addresses of the parties hereto, as stated above, shall continue in effect until changed in writing by the respective parties.

It is agreed that should any person named or included within the term First Party die, then any exercise of option hereunder by Second Party within said option period, and before receiving notice of the death of any such person, shall, notwithstanding the subsequent expiration of such option period, be effective from the date when the notice of exercise of such option was first so deposited in the United States mail, or first so filed with the telegraph company.

First Party, insofar as same can be done, hereby authorizes Second Party, and Second Party's heirs, successors and assigns, to enter said lands and to conduct a geological or geophysical exploration thereon by the use of any geological or geophysical methods.

FIRST: For the consideration recited as aforesaid, First Party hereby grants to Second Party the exclusive option and privilege, to be exercised in whole or in part at any time within the option period hereinafter stated, of purchasing and acquiring said oil and gas lease (including any extensions thereof, extension leases, renewals thereof, renewal leases, preference right, new, substitute or other leases hereafter issued pursuant to or by reason thereof), as to all or any part of the lands above described.