11. This lease shall never terminate or be forfeited or canceled in whole or in part, either during or after the primary term hereof, for failure to perform any of its implied covenants, conditions, or obligations until it shall have first been finally judicially determined that such failure exists, and any decree of termination, cancellation or forfeiture shall be in the alternative and shall provide for termination, cancellation, or forfeiture unless LESSEE comply with the implied covenants, conditions, or obligations breached within a reasonable time to be determined by the Court. In the event LESSOR considers that LESSEE has not complied with all of its covenants, conditions, and obligations hereunder, both express and implied, LESSOR shall notify LESSEE, in writing, setting out specifically in what respects it is claimed that LESSEE has breached this contract, and LESSEE shall not be liable to LESSOR for any damages caused by any breach of a covenant, condition, or obligation, express or implied, occurring more than sixty (60) days prior to the receipt by LESSEE of the aforesaid written notice of such breach. Neither the service of said notice nor the doing of any acts by LESSEE aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that LESSEE has failed to perform all of its obligations hereunder.

12. LESSOR hereby warrants and agrees to defend the title to leased premises and agrees that LESSEE, at its option, may pay and discharge any taxes, mortgages, or other liens existing, levied or assessed on or against leased premises, and in the event it exercises such option, LESSEE shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying any royalty or rentals accruing hereunder against the amount paid out in the discharge of such lien. LESSEE hereby is given the right to acquire for its own benefit, deeds, leases, or assignments covering any interest or claim in leased premises which LESSEE or any other party contends is outstanding and not covered hereby and even though such outstanding interest or claim be invalid or adverse to LESSOR. In the event the validity of this lease be disputed by LESSOR or by any other person, then, for the period such dispute remains undisposed of: LESSEE shall be relieved of all obligations hereunder to explore or develop leased premises; all royalties, rentals, or other payments which would otherwise accrue shall be suspended for such period; and this lease automatically shall be extended for an additional period equal to the duration of such period.

13. No part of the surface of leased premises, without the prior consent of LESSEE, shall be let, granted, or licensed by LESSOR to any other party for the erection, construction, location, or maintenance of structures, tanks, pits, reservoirs, equipment, machinery, or wells for the purpose of, or in connection with, the exploration, development, or operation for oil or gas on adjacent land or the production of oil or gas therefrom or the storage of such production.

14. This lease shall not be terminated in whole or in part, nor shall LESSEE be held liable in damages for failure to comply with the express and implied covenants hereof if compliance therewith is prevented by, or is contrary to, or in conflict with, or if such failure is a result of, any Federal or State laws, executive orders, rules, or regulations or any other cause beyond the reasonable control of LESSEE. If, at the end of the primary term, this lease has not been extended by production or drilling as hereinabove provided for and LESSEE, by reason of any of the above causes, is unable to drill a well on leased premises, the primary term and the rental provision hereof automatically shall be extended from year to year until the first anniversary hereof occurring ninety (90) or more days following the removal of such delaying cause.

15. This lease shall continue in full force for so long as there is a well or wells on leased premises capable of producing oil or gas, but in the event all such wells are shut in and not produced by reason of the lack of a market at the well or wells, by reason of Federal or State laws, executive orders, rules or regulations, (whether or not subsequently determined to be invalid), or for any other reasons beyond the reasonable control of LESSEE, then on or before each succeeding anniversary of the date hereof occurring ninety (90) or more days after all such wells are so shut in and after the expiration of the primary term and prior to the date production is commenced or resumed, or this lease surrendered by LESSEE, LESSEE shall pay to LESSOR as royalty an amount equal to the annual rental hereinabove provided for.

16. LESSEE hereby is given the right at its option, at any time within twenty (20) years from the date hereof and from time to time within such period, and whether before or after production, to pool for development and operation purposes all or any part or parts of leased premises or rights therein with any other land in the vicinity thereof, or with any leasehold, operating or other rights or interests in such other land so as to create units of such size and surface acreage as LESSEE may desire but containing not more than forty-five (45) acres; provided, however, a unit may be established hereunder containing not more than 640 acres plus 10% acreage tolerance if unitized only as to gas rights or only as to gas and condensate. If at any time larger units are required under any then applicable law, rule, regulation or order of any governmental authority for the drilling, completion or operation of a well, or for obtaining maximum allowable from any contemplated, drilling or completed well, any such unit may be established or enlarged to conform to the size specified by such law, rule, regulation or order. Each unit shall be created by LESSEE'S recording a Declaration of Pool containing a description of the unit so created, specifying the mineral or horizon so pooled, if so limited. Operations on any part of any lands so pooled shall, except for the payment of royalties, be considered operations on leased premises under this lease and, notwithstanding the status of a well at the time of pooling, such operations shall be deemed to be in connection with a well which was commenced on leased premises under this lease. The term "operations" as used in the preceding sentence shall include, without limitation, the following: commencing, drilling, testing, completing, reworking, recompleting, deepening or plugging back a well, or the production of oil or gas, or the existence of a shut-in well capable of producing oil or gas. There shall be allocated to the portion of leased premises included in any such pooling such proportion of the actual production from all lands so pooled as such portion of leased premises, computed on an acreage basis, bears to the entire acreage of the lands so pooled. The production so allocated shall be considered for the purpose of payment or delivery of royalty to be the entire production from the portion of leased premises included in such pooling in the same manner as though produced from such portion of leased premises under the terms of this lease.

17. LESSOR hereby expressly relinquishes dower and releases and waives all rights under and by virtue of the homestead exemption laws of the state wherein leased premises are situated in so far as the same in any way may affect the purpose for which this lease is made.

18. This lease shall be binding upon each party executing same regardless of whether or not executed by all owners of the above described land or by all persons above named as "LESSOR", and notwithstanding the inclusion above of other names as "LESSOR", this term as used in this lease shall mean and refer only to such parties as execute this lease and their successors in interest.

IN WITNESS WHEREOF, this instrument is signed and sealed as of the day and year first above written.

WITNESSES:

X Charles B. Webb (SEAL)
Charles B. Webb
SS# 520-01-9200

X Xula Webb (SEAL)
Xula Webb

STATE OF WYOMING)
) SS.
COUNTY OF NATRONA)

INDIVIDUAL ACKNOWLEDGMENT

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Charles B. Webb & Xula Webb, husband & wife, to me personally known, and known to me to be the same person s described in and who executed the foregoing instrument, appeared before me this day in person and acknowledged to me that t he y executed and delivered the same as their free and voluntary act and deed, for the uses, purposes and consideration therein expressed, including the relinquishment of dower and homestead.

Given under my hand and official seal this 11 day of October, 19 65.

My Commission Expires: MY COMMISSION EXPIRES FEBRUARY 8, 1969

E. J. Smith
Notary Public in and for said County and State, residing at Casper, Wyoming

STATE OF _____)
) SS.
COUNTY OF _____)

INDIVIDUAL ACKNOWLEDGMENT

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, to me personally known, and known to me to be the same person _____ described in and who executed the foregoing instrument, appeared before me this day in person and acknowledged to me that ____ he ____ executed and delivered the same as ____ free and voluntary act and deed, for the uses, purposes and consideration therein expressed, including the relinquishment of dower and homestead.

Given under my hand and official seal this _____ day of _____, 19____.

My Commission Expires: _____

Notary Public in and for said County and State, residing at _____

WHEN RECORDED RETURN TO:

This instrument was filed for record on the _____ day of _____, 19____ at _____ o'clock _____ M., and duly recorded in Book _____, Page _____ of the _____ records of this office.

_____ County Clerk

County of _____ State of _____

RA-342