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in and to all wells, casing, tubing, tanks, separators, machinery, flow lines, water lines and all personal property, material and other equipment of whatever character and nature now owned by Menlo and located on or used in connection with the Wyoming Lease.

The Federal Leases and the Wyoming Lease herein conveyed are subject to the regulations of the United States Government concerning oil and gas leases on Federal lands and were issued under the General Leasing Act of 1920, as amended.

TO HAVE AND TO HOLD the aforesaid Federal Leases and the Greer Joint Venture, both subject, however, as aforesaid, and the Wyoming Lease and Personal Property, together with all and singular the rights, privileges and appurtenances thereto, and to each of same, in anywise belonging, to Murchison Brothers, its successors and assigns forever.

Menlo does hereby represent and warrant unto Murchison Brothers, its successors and assigns, that:

(i) Menlo is the present owner and holder of the leasehold interests, joint venture interest and property herein conveyed, transferred or assigned, subject only as aforesaid; and

(ii) the terms and provisions of the Greer Joint Venture are not presently in default.

IN WITNESS WHEREOF, Menlo Corporation has caused these presents to be signed by its duly authorized officer and to be sealed with the seal of Menlo Corporation, as of the day and year first above written.

MENLO CORPORATION



By L. D. Pierce President