

11. 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.

13. 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, whether valid or invalid, 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.

14. 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 acceptable to LESSEE, 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 prior to the date production is commenced or resumed, or this lease surrendered by LESSEE, LESSEE shall pay or tender to LESSOR, or to the credit of LESSOR in the depository bank hereinbefore designated, as royalty, an amount equal to the delay rental hereinabove provided for, which payment or tender may be made by LESSEE'S check or draft.

15. LESSEE hereby is given the right at its option, at any time and from time to time during the life of this lease, but in no event after twenty (20) years from the date hereof, 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 80 acres plus 10% acreage tolerance; 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; and provided further that if at any time any governmental rule, regulation or order shall prescribe a spacing pattern for the development of an area embracing leased premises or any portion thereof, or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be permitted in such allocation of allowable. Each unit shall be created by LESSEE'S recording an instrument describing or otherwise identifying the unit so created and 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, 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. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty or leasehold interests in lands within the unit which are not effectively pooled or unitized.

16. 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.

17. 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.

Social Security or I.D. Number:

Social Security or I.D. Number:

Social Security or I.D. Number:

Social Security or I.D. Number:

STATE OF Wyoming)
) SS.
COUNTY OF Sublette)

John Lewis Crenshaw, Jr.
Social Security or I.D. Number:
John Lewis Crenshaw, Jr. - 474-12-533

Miriam Graff Crenshaw
Social Security or I.D. Number:
Miriam Graff Crenshaw - 154-10-8338

Social Security or I.D. Number:

INDIVIDUAL ACKNOWLEDGMENT

I, W. H. Floerke, a Notary Public in and for said County and State, do hereby certify that John Lewis Crenshaw, Jr. and Miriam Graff Crenshaw, 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 6th day of September, 1970

My Commission Expires:



W. H. Floerke
Notary Public in and for said County and State, residing at

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 13th day of October, 1970 at 9:00 o'clock A.M., and duly recorded in Book 46, Page 263 of the Oil & Gas records of this office.
Robert W. Evans County Clerk
County of Sublette State of Wyo.
Fee \$ 3.00

123322

RA-342 (REV. 6/67)