

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OIL AND GAS LEASE  
(COMPETITIVE PUBLIC DOMAIN LANDS)

WYOMING  
2976 218

Land Office and Serial Number

Wyoming

W 28991

THIS IDENTURE OF LEASE, entered into, as of JUL 1 1971, by and between  
the UNITED STATES OF AMERICA, through the Bureau of Land Management, hereinafter called the lessor, and

Mountain Fuel Supply Company  
P. O. Box 11368  
Salt Lake City, Utah 84111

hereinafter called the lessee, under, pursuant, and subject to the terms and provisions of the Act of February 25, 1920, (41 Stat. 437), as amended, (30 U.S.C. Sec. 181 *et seq.*), hereinafter referred to as the Act, and to all reasonable regulations of the Secretary of the Interior now or hereafter in force when not inconsistent with any express and specific provisions herein, which are made a part hereof.

WITNESSETH:

Sec. 1. *Rights of lessee.* That the lessor, in consideration of rents and royalties to be paid, and the conditions and covenants to be observed as herein set forth, does hereby grant and lease to the lessee the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits, except helium gas, in or under the following-described tracts of land situated in the Big Piney - La Barge field:

T. 30 N., R. 113 W., 6th Prin. Mer., Wyoming  
Sec. 30: 12 1/2

20' NE 1/4

127305

RECORDED September 7 19 71 9:00 AM  
IN BOOK 47 O+S PAGE 218  
FEES \$ 5.00 Aune L. Clark COUNTY CLERK  
SUBLETTE COUNTY, PINEDALE, WYOMING

*by Luis J. Yake Deputy*

containing 160 acres, more or less, together with the right to construct and maintain thereupon all works, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, for a period of five (5) years, and so long thereafter as oil or gas is produced in paying quantities; subject to any unit agreement heretofore or hereafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto where inconsistencies with the terms of this lease occur.

Sec. 2. In consideration of the foregoing, the lessee agrees:

(a) *Bonds* (1) To maintain any bond furnished by the lessee as a condition for the issuance of this lease.

(2) To furnish prior to beginning of drilling operations and maintain at all times thereafter as required by the lessor a bond in the penal sum of \$10,000 with approved corporate surety, or with deposit of United States bonds as surety therefor, conditioned upon compliance with the terms of this lease, unless a bond in that amount is already being maintained or unless such a bond furnished by an operator of the lease is accepted, or unless a bond has been filed under 43 CFR 3126.1 applicable to this lease.

(b) *Cooperative or unit plan.* Within thirty (30) days of demand, or, if the leased land is committed to an approved unit or cooperative plan and such plan is terminated prior to the expiration of this lease, within thirty (30) days of demand made thereafter, to subscribe to and to operate under such reasonable cooperative or unit plan for the development and operation of the area, field, or pool, or part thereof, embracing the lands included herein as the Secretary of the Interior may then determine to be practicable and necessary or advisable,

which plan shall adequately protect the rights of all parties in interest, including the United States.

(c) *Wells.* (1) To drill and produce all wells necessary to protect the leased land from drainage by wells on lands not the property of the lessor, or lands of the United States leased at a lower royalty rate, or as to which the royalties and rentals are paid into different funds than are those of this lease; or in lieu of any part of such drilling and production, with the consent of the Director of the Geological Survey, to compensate the lessor, in full, each month for the estimated loss of royalty through drainage in the amount determined by said Director.

(2) At the election of the lessee, to drill and produce other wells in conformity with any system of well spacing or production allotments affecting the field or area in which the leased lands are situated, which is authorized and sanctioned by applicable law or by the Secretary of the Interior.

(3) Promptly after due notice, in writing, to drill and produce such other wells as the Secretary of the Interior may reasonably require in order that the leased premises may be properly and timely developed and produced in accordance with good operating practice.

For Claimant