# ASSIGNMENT

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

KNOW ALL MEN BY THESE PRESENTS, that ENRON CORP., whose address is P. O. Box 1188, Houston, Texas 77251-1188, hereinafter referred to as "Assignor", for and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, assign, transfer and convey unto ENRON PRODUCING COMPANY, whose address is P. O. Box 1188, Houston, Texas 77251-1188, hereinafter referred to as "Assignee", all of Assignor's right, title and interest in and to all Oil, Gas and Mineral Leases, and any Units comprised thereof and lands covered thereby as described in Exhibit "A" attached hereto and incorporated herein, located in Sublette County, Wyoming; together with identical interests in and to all property and rights incident thereto, including without limitation, all materials, equipment, personal property and fixtures located thereon or used in connection therewith and all of Assignor's rights in, to and under all agreements, leases, permits, rights of way, easements, licenses, options and orders in any way relating thereto.

This assignment is made by Assignor to Assignee upon the following terms and conditions, to wit:

I.

Assignee shall comply with and hereby assumes all express and implied covenants and obligations contained in the leases covered by this assignment and agrees to indemnify and hold Assignor harmless from any loss, damage and/or expenses which may be incurred by Assignee's failure to assume or comply with any such covenant or obligation of said leases.

II.

The terms and provisions hereof shall be binding upon and inure to the benefit of Assignor and the respective successors, legal representatives and assigns of each of them.

III.

It is the intent of Assignor by this Assignment to convey to Assignee all of Assignor's right, title and interest in and to Oil and Gas Leases, interests in units in which the leases are a part, and overriding royalties owned by Assignor. Should examination of any records disclose oil and gas interests owned by Assignor other than those described specifically in Exhibit "A" hereto, Assignor does by this Assignment hereby convey such interest.

This Assignment is made without warranty of title, either express or implied.

Executed as of the 1st day of August, 1987.

ATTEST: ENRON CORP.

J. Jeffers Spencer, Assistant Secretary

R. W. Usrey, Vice President - Land
Exploration & Production Division

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared R. W. Usrey, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President - Land, Exploration & Production Division, ENRON CORP., and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 1ST day of August, 1987.

My Commission Expires

Notary Public in and for the State of Texas

# EXHIBIT "A"

STATE: WYOMING
COUNTY: SUBLETTE

| LEASE NO. | LESSOR | LEASE DATE | BOOK/PAGE | DESCRIPTION |
|---|---|---|---|---|
| 0055100000 | STATE OF WYOMING #77-0336 | 06/02/77 | | T31N-R111W;SEC.11:NENW;SEC.36:N2,SE |

2

218316

RECORDED Oct. 5 19 87 10:00 AM
IN BOOK 80 O&G PAGE 1 COUNTY CLERK
FEES $20.00 Mary L. Lankford SUBLETTE COUNTY, PINEDALE, WYOMING
By: Diane Riley

# EXHIBIT "A"

STATE: WYOMING
COUNTY: SUBLETTE

| LEASE NO. | LESSOR | LEASE DATE | BOOK/PAGE | DESCRIPTION |
|---|---|---|---|---|
| 0053901000 | USA W-35958 | 08/01/72 | | 27N-110W: SEC 14: E2, SW FEDERAL LEASE #W-35958 |
| 0053902000 | USA W-48191 | 12/01/74 | XXXXX/XXXXX | 27N-110W: SEC 12: W2NE, NW, N2SW, SESW, SE FEDERAL LEASE # W-48191 |
| 0053903000 | USA W-62967 | 03/01/74 | | T27N-R110W;SEC. 8:ALL |
| 0053904000 | USA W-73781 | 08/01/72 | | T27N-R110W:SEC 12 - E2NE4 |
| 0055095000 | USA W-58733 | 05/01/77 | | E1/2SE 18; LOTS 2,3,4, E1/2, SENW, E1/2SW 19; ALL 29; LOTS 1,2,3,4, E1/2, E1/2W1/2 30; LOTS 1,2,3,4, E1/2, E1/2W1/2 31-34N-112W FEDERAL LEASE #W-58* |
| 0055096000 | USA W-58729 | 05/01/77 | | LOTS 1,2,3,4, S1/2N1/2, S1/2 4; ALL 9; N1/2, N1/2 SW, SE 17; N1/2SE 18-33N-112W FEDERAL LEASE #W-58729 |
| 0055097000 | USA W-60146 | 09/01/77 | | IN SO FAR AS LEASE COVERS T 33N-R111W; SEC 24: ALL; SEC 25 ALL; SEC 26 ALL |
| 0055098000 | USA W-58731 | 05/01/77 | | T33N-R112W;SEC 10:SW4SW4;SEC 14:ALL;SEC 15:ALL; SEC 21:NE4,NE4NW4;SEC.22:NE4,N2SE4;SE4SE4; SEC 23: ALL;SEC 27:SE4NE4. |
| 0055099000 | USA W-62130 | 02/01/78 | | T34N-R112W;SEC.10:SW; SEC.14: S2N2; SEC.15: S2NE, W2NW, SENW, SW; SEC.22: ALL; SEC.23: W2E2, W2 FEDERAL LEASE NO. W-62130 |
| 0055102000 | USA W-62132 | 02/01/78 | | T34N-R112W: SEC. 26: W2NE, SENE, W2, SE; SEC. 27: ALL FEDERAL LSE. NO. W-62132 |

* SEE LEASE FOR COMPLETE LAND DESCRIPTION

# E X H I B I T " A "

STATE: WYOMING
COUNTY: SUBLETTE

| LEASE NO. | LESSOR | LEASE DATE | BOOK/PAGE | DESCRIPTION |
|---|---|---|---|---|
| 0055103000 | USA W-62136 | 02/01/78 | | T34N-R113W: SEC. 33: SWNE, S2NW, NWSE FEDERAL LEASE NO. W-62136 |
| 0055104000 | USA W-62133 | 02/01/78 | | T34N-R112W: SEC. 28: ALL; SEC. 33: ALL; SEC. 34: ALL FEDERAL LEASE NO. W-62133 |
| 0055106000 | USA W-62510 | 05/01/78 | | T31N-R111W: SEC. 34: ALL; SEC. 35: ALL. FED. LSE. W-62510. |
| 0055107000 | USA W-62798 | 05/01/78 | | 32N112W:S19L1-4;S30L1-4;S31L1-4;32N113W:S11L4-10, SESW,S2SE;S12L5-8,S2S2;S13ALL;S14ALL;S23S2 |
| 0055108000 | USA W-62509 | 05/01/78 | | T30N-R111W: SEC. 3: LOTS 1,2,3,4, S2N2, S2; SEC. 10: ALL; SEC. 11: ALL. FED. LSE. W-62509 |
| 0055109000 | USA W-62802 | 05/01/78 | | T31N-R113W-SEC. 2: SWNW; SEC. 3: LOTS 1,2,3,4, S2NE, SENW; T32N-R113W-SEC. 24: ALL; SEC. 25: NE, S2; SEC. 26: N2 - FEDERAL LSE. NO. W-62802 |
| 0055110000 | USA W-63189 | 06/01/78 | | T31N-R112W: SEC. 4: LOT 3; SEC. 20: E/2NE; SEC. 21: NW, N/2SW, SESW; SEC. 28: N/2NE FED. LEASE NO. W-63189 |
| 0055111000 | USA W-62797 | 09/01/78 | | T31N-R112W: SEC. 22: SE; SEC. 26: ALL; SEC. 27: E/2; SEC. 35: N/2, SE FEDERAL LEASE NO. W-62797 |

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

This Assignment, Bill of Sale and Conveyance ("Assignment"), is from the entities set forth on Exhibit "A-1" (collectively, "Assignors"), to S&S Energy, Inc., a Texas corporation ("Assignee"), Assignors have an address of 109 Northpark Boulevard, Covington, Louisiana 70433, and Assignee has an address of 6106 Post Oak Court, Spring, Texas 77379.

For and in consideration of One Hundred Dollars ($100.00) cash and other good and valuable consideration in hand paid, the receipt and adequacy of which are hereby acknowledged, Assignors do hereby Bargain, Sell, Transfer, Set Over, Grant, Assign, Convey and Deliver unto Assignee, in the proportions set forth in Exhibit "A-1", all of Assignors' right, title, interest and estate in and to the oil, gas and/or mineral leases, leasehold estates, fee, royalty, overriding royalty, and farmout interests which are listed and to the extent described on Exhibit "A" which is attached hereto and made a part hereof for all purposes (the "Oil and Gas Properties").

This Assignment includes, to the extent Assignors may lawfully assign same, all of Assignors' right, title, interest and estate in and to the property and rights incident, and to the extent attributable, to the Oil and Gas Properties, the lands covered thereby or unitized therewith, including, without limitation, (i) all presently existing pooling or unitization agreements and the units created thereby, and all units formed by virtue of Orders issued by State Regulatory Agencies, (ii) all presently existing operating agreements and all other contracts and agreements, including gas sales contracts, (iii) all personal property, easements, permits, surface leases, servitudes and rights-of-way situated upon or used or useful or held for future use directly in connection with the development of the Oil and Gas Properties, for the drilling of wells or the production, treating, storing or transportation of oil, gas or other hydrocarbons or minerals, including, but not by way of limitation, all wells, storage facilities, processing plants, power stations, pipelines, power lines, telephone and telegraph lines, roads and other appurtenances.

TO HAVE AND TO HOLD the Oil and Gas Properties unto Assignee and its successors and assigns forever.

It is understood and agreed that this Assignment is made and accepted subject to all of the terms and provisions of that certain unrecorded Agreement for Purchase and Sale of Oil and Gas Properties (the "Agreement") by and among, inter alios, Assignor and FPCO Oil & Gas Co. dated March 27, 1987, and Assignee shall impose upon its assigns and require its assigns to impose on successive assigns, the obligation to make any assignments of the interest in the Oil and Gas Properties, or any portion thereof, similarly subject to the Agreement.

THIS ASSIGNMENT IS FURTHER MADE AND ACCEPTED UPON THE UNDERSTANDING AND AGREEMENT THAT ALL PERSONAL PROPERTY, MACHINERY, FIXTURES, EQUIPMENT AND MATERIALS CONVEYED HEREBY ARE SOLD AND ASSIGNED "AS IS" WITHOUT WARRANTIES OF MARKETABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE.

Assignors, for themselves and their successors and assigns, as to their respective proportionate interest set forth in Exhibit "A-1", represent, warrant and agree to and with Assignee, its successors and assigns, that, except as set forth in Exhibit "A", the Oil and Gas Properties are free and clear of all liens, encumbrances, burdens and defects of title arising by, through or under Assignors, but not otherwise, and Assignors and their successors and assigns, as to their respective proportionate interest set forth in Exhibit "A-1", shall warrant and forever defend the title of Assignee and its successors and assigns to

the Oil and Gas Properties against all persons claiming or to claim an interest therein by, through or under Assignors, but not otherwise.

To the extent Assignors have received any warranty of whatever nature relating to the Oil and Gas Properties from Assignors' predecessors in title, and to the exent such warranty may be assigned, Assignors subrogate Assignees in and to all of the rights and actions of warranty which Assignors have or may have against predecessors in title.

Assignee does hereby agree to assume, be bound by and subject to Assignee's proportionate share of all express and implied covenants, rights, obligations and liabilities with respect to the Oil and Gas Properties, and Assignee's interest in the Oil and Gas Properties shall bear its proportionate share of royalty interests, overriding royalty interests and other payments out of or measured by production from and after the Effective Time, as hereinafter defined.

The provisions hereof shall be covenants running with the land and shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

In the event two or more Oil and Gas Properties cover the same land (e.g., an oil and gas leasehold interest included within the Oil and Gas Properties may cover the same land as a mineral, royalty or overriding royalty interest included within the Oil and Gas Properties), no merger of title shall occur, and each of the Oil and Gas Properties covering the same land is conveyed and shall be owned by Assignee as a separate and distinct property.

Separate assignments may be executed by Assignor to Assignees affecting interests in Oil and Gas Properties which are conveyed by this instrument. Those assignments shall be deemed to contain all of the warranties, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to the interests conveyed herein.

References in this Assignment and in the attached Exhibit "A" to contracts, agreements or instruments shall not be deemed to ratify or create any rights in favor of any third party.

Assignee joins in the execution hereof for the purpose of being bound by all of the terms, provisions, obligations and covenants herein specified.

IN WITNESS WHEREOF, this instrument is signed and executed in multiple counterparts on this 31st day of July 1987, but, notwithstanding anything else to the contrary contained herein, it is hereby stipulated and agreed that this Agreement shall be effective as of 7:00 o'clock A.M., local time, January 1, 1987 (the "Effective Time").

ASSIGNOR:

PRUDENTIAL-BACHE ENERGY
PRODUCTION INC.

WITNESSES:

BY: Graham Royalty, Ltd.
Agent and Attorney-in-Fact

BY: _____
Samuel A. Blaize
Senior Vice President
Acquisitions

[redacted] [redacted] [redacted]

PRUDENTIAL-BACHE ENERGY INCOME
PRODUCTION PARTNERSHIP IIP-10
PRUDENTIAL-BACHE ENERGY INCOME
PRODUCTION PARTNERSHIP IIP-11
PRUDENTIAL-BACHE ENERGY INCOME
PRODUCTION PARTNERSHIP IIIP-12
PRUDENTIAL-BACHE ENERGY INCOME
PRODUCTION PARTNERSHIP IIIP-13
PRUDENTIAL-BACHE ENERGY INCOME
PRODUCTION PARTNERSHIP IIIP-14
PRUDENTIAL-BACHE ENERGY INCOME
PRODUCTION PARTNERSHIP IIIP-15
PRUDENTIAL-BACHE PENSION & RETIREMENT
PRODUCTION PARTNERSHIP PBR-2
PRUDENTIAL-BACHE PENSION & RETIREMENT
PRODUCTION PARTNERSHIP PBR-3
PRUDENTIAL-BACHE PENSION & RETIREMENT
PRODUCTION PARTNERSHIP PBR-4

WITNESSES:

BY: Graham Royalty, Ltd.
Managing General Partner

BY: _____
Samuel A. Blaize
Senior Vice President
Acquisitions

PRUDENTIAL-BACHE ENERGY INCOME
LIMITED PARTNERSHIP IVP-16
PRUDENTIAL-BACHE ENERGY INCOME
LIMITED PARTNERSHIP IVP-17

WITNESSES:

BY: Graham Royalty, Ltd.
General Partner

BY: _____
Samuel A. Blaize
Senior Vice President
Acquisitions

ASSIGNEE:

S & S ENERGY, INC.

WITNESSES:

BY: _____
Stephen W. Rector
President

218317

RECORDED Oct 5 19 87 10:30AM
IN BOOK 80 O&G PAGE 5
FEES $ 35.25 Mary L Lou Ed COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

(Wyoming Form)

STATE OF LOUISIANA )
CITY OF COVINGTON ) ss:
PARISH OF ST. TAMMANY )

The foregoing instrument was acknowledged before me this 31st day of July, 1987, by Stephen W. Rector, the President of S & S Energy, Inc., a Texas corporation, on behalf of said corporation. Witness my hand and official seal.

W. Philip Clinton
NOTARY PUBLIC
in and for the State of Louisiana
and Parish of Orleans
201 St. Charles Avenue
New Orleans, Louisiana 70170

(seal)

My commission expires upon my death.

STATE OF LOUISIANA )
CITY OF COVINGTON ) ss:
PARISH OF ST. TAMMANY )

The foregoing instrument was acknowledged before me this 31st day of July, 1987, by Samuel A. Blaize, the Senior Vice President-Acquisitions of Graham Royalty, Ltd., a Louisiana corporation, on behalf of said corporation in its capacity as agent and attorney-in-fact of Prudential-Bache Energy Production Inc., a Delaware corporation, on behalf of said corporation. Witness my hand and official seal.

W. Philip Clinton
NOTARY PUBLIC
in and for the State of Louisiana
and Parish of Orleans
201 St. Charles Avenue
New Orleans, Louisiana 70170

(seal)

My commission expires upon my death.

STATE OF LOUISIANA )
CITY OF COVINGTON ) ss:
PARISH OF ST. TAMMANY )

The foregoing instrument was acknowledged before me this 31st day of July, 1987, by Samuel A. Blaize, the Senior Vice President-Acquisitions of Graham Royalty, Ltd., a Louisiana corporation, on behalf of said corporation in its capacity as managing general partner of Prudential-Bache Energy Income Production Partnership IIP-10, Prudential-Bache Energy Income Production Partnership IIP-11, Prudential-Bache Energy Income Production Partnership IIIP-12, Prudential-Bache Energy Income Production Partnership IIIP-13, Prudential-Bache Energy Income Production Partnership IIIP-14, Prudential-Bache Energy Income Production Partnership IIIP-15, Prudential-Bache Pension & Retirement Production Partnership PBR-2, Prudential-Bache Pension & Retirement Production Partnership PBR-3 and Prudential-Bache Pension & Retirement Production Partnership PBR-4, each of which is a Louisiana general partnership, and as general partner of Prudential-Bache Energy Income Limited Partnership IVP-16 and Prudential-Bache Energy Income Limited Partnership IVP-17, each

of which is a Delaware limited partnership, on behalf of said partnerships. Witness my hand and official seal.

W. Philip Clinton

NOTARY PUBLIC
in and for the State of Louisiana
and Parish of Orleans
201 St. Charles Avenue
New Orleans, Louisiana 70170

(seal)

My commission expires upon my death.

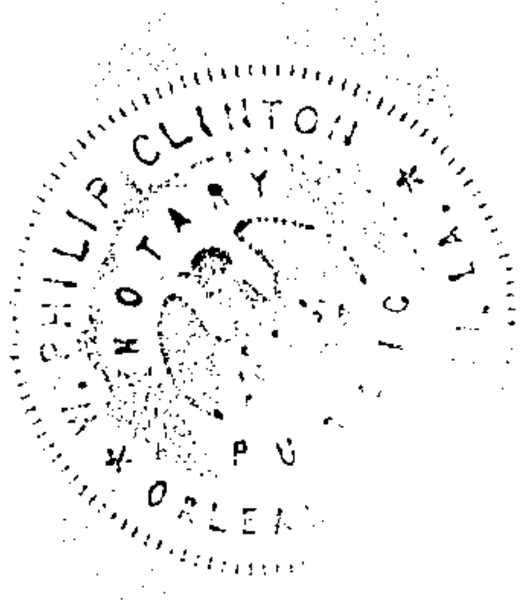


Exhibit A-1

| Assignors | Percentage Interest |
|---|---|
| Prudential-Bache Energy Production Inc. | .461643% |
| Prudential-Bache Energy Income Production Partnership IIP-10 | 2.3% |
| Prudential-Bache Energy Income Production Partnership IIP-11 | 1.9% |
| Prudential-Bache Energy Income Production Partnership IIIP-12 | 5.5% |
| Prudential-Bache Energy Income Production Partnership IIIP-13 | 6.8% |
| Prudential-Bache Energy Income Production Partnership IIIP-14 | 10.8% |
| Prudential-Bache Energy Income Production Partnership IIIP-15 | 9.4% |
| Prudential-Bache Energy Income Limited Limited Partnership IVP-16 | 27.4% |
| Prudential-Bache Energy Income Limited Partnership IVP-17 | 30.2% |
| Prudential-Bache Pension & Retirement Production Partnership PBR-2 | .551406% |
| Prudential-Bache Pension & Retirement Production Partnership PBR-3 | 2.021822% |
| Prudential-Bache Pension & Retirement Production Partnership PBR-4 | 2.665129% |

EXHIBIT "A"

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance, dated July _____, 1987, effective January 1, 1987, by and between PRUDENTIAL-BACHE ENERGY PRODUCTION, INC., ET AL, and S & S ENERGY, INC.

PROPERTY NUMBER: WY-EC-01-800-01, WY-EC-01-800-02
PROPERTY NAME: State 41-36, State 33-36
FIELD: Bird Canyon
COUNTY: Sublette STATE: Wyoming

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-001 | State of Wyoming<br>Serial Number 66-15523 | Nat Novick | 10/2/66 | 48/143 |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 112 W., 6th P.M.
Section 36: All;

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;

2. A proportionate share of overriding royalties totaling 12.0% before payout and 5.75% after farmout payout;

3. Operating Agreement dated July 1, 1972, among Westrans Petroleum, Inc., et al;

4. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators;

5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators;

6. Gas Purchase Agreement dated August 1, 1972 between Westrans Petroleum, Inc., et al, as sellers, and FMC Corporation, as buyer.

7. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors.

All recording references are to the Records of Sublette County, Wyoming.

State 41-36 Well (WY-EC-01-800-01)

Operating Interest . . . . . 84.887310%

Net Revenue Interest . . . . . 64.089920%

State 33-36 Well (WY-EC-01-800-02)

Operating Interest . . . . . 54.943660%

Net Revenue Interest . . . . . 44.916435%

EXHIBIT "A"
(CONTINUED)

PROPERTY NUMBER: WY-EC-01-801-01
PROPERTY NAME: Federal 22-25
FIELD: Bird Canyon
COUNTY: Sublette STATE: Wyoming

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-002 | The United States of America Serial Number W-2108 | Jas O. Breene, Jr. | 11/1/1966 | 47/373 |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 112 W., 6th P.M.
Section 24: NW/4 NW/4, W/2 SW/4;
Section 25: W/2;

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;

2. A proportionate share of overriding royalties totaling 11.25% before payout and 5.0% after farmout payout;

3. Operating Agreement dated January 4, 1972, among Westrans Petroleum, Inc., et al;

4. Gas Purchase Agreement dated August 1, 1972 between Westrans Petroleum, Inc., et al, as Sellers, and FMC Corporation, as Buyer;

5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators;

6. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators.

7. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors.

All recording references are to the Records of Sublette County, Wyoming.

Operating Interest . . . . . 24.253520%

Net R venue Interest . . . . . 20.009150%

[redacted] [redacted] [redacted]

EXHIBIT "A"
(CONTINUED)

PROPERTY NUMBER: WY-EC-01-802-01
PROPERTY NAME: Federal 33-25
FIELD: Bird Canyon
COUNTY: Sublette STATE: Wyoming

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-003 | United States of America Serial Number W-3776 | Josephine E. Frye | 2/1/67 | 41/445 |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 112 W., 6th P.M.
Section 13: W/2 W/2;
Section 24: E/2

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;

2. A proportionate share of overriding royalties totaling 5.0%;

3. Operating Agreement dated January 4, 1972, among Westrans Petroleum, Inc., et al;

4. Gas Purchase Agreement dated August 1, 1972, among Westrans Petroleum, Inc., et al, as Sellers, and FMC Corporation, as Buyer;

5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators;

6. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators.

7. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors,

All recording references are to the Records of Sublette County, Wyoming.

Operating Interest . . . . . 24.25350%

Net Revenue Interest . . . . . 20.009150%

EXHIBIT "A"
(CONTINUED)

PROPERTY NUMBER: WY-EC-01-803-01
PROPERTY NAME: Federal 22-31
FIELD: Bird Canyon
COUNTY: Sublette STATE: Wyoming

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-004 | The United States of America Serial Number W-2690 | Mrs. Margaret E. Allen | 10/21/66 | 47/477 |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 111 W., 6th P.M.
Section 31: Lots 1, 2, 3, 4, 5, 6, 7,
NE/4, E/2 NW/4, NE/4 SW/4 N/2 SE/4;
Section 32: Lot 1;

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;

2. A proportionate share of overriding royalties totaling 5.0%;

3. Gas Purchase Agreement dated August 1, 1972 among Westrans Petroleum, Inc., et al, as Sellers, and FMC Corporation, as Buyer;

4. Operating Agreement dated January 4, 1972, among Westrans Petroleum, Inc., et al;

5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators;

6. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators.

7. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors.

All recording references are to the Records of Sublette County, Wyoming.

Operating Interest . . . . . 24.253500%

Net Revenue Interest . . . . . 20.009150%

[redacted] [redacted] [redacted]

EXHIBIT "A"
(CONTINUED)

PROPERTY NUMBER: WY-EC-01-804-01
PROPERTY NAME: Federal 33-24
FIELD: Bird Canyon
COUNTY: Sublette STATE: Wyoming

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-005 | The United States of America Serial Number W-15340 | Ruth Fox Sears | 10/1/68 | 47/505 |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 112 W., 6th P.M.
Section 24: E/2

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;

2. A proportionate share of overriding royalties totaling 5.0%;

3. Operating Agreement dated January 4, 1972, among Westrans Petroleum, Inc., as Operator, and Dalco Oil Company, et al, as Non-Operators;

4. Gas Purchase Agreement dated August 1, 1972, among Westrans Petroleum, Inc., et al, as Sellers, and FMC Corporation, as Buyer;

5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators;

6. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators.

7. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors.

All recording references are to the Records of Sublette County, Wyoming.

Operating Interest . . . . . 24.253500%

Net Revenue Interest . . . . . 20.009150%

EXHIBIT "A"
(CONTINUED)

PROPERTY NUMBER: WY-EC-01-805-01
PROPERTY NAME: Federal 16-26
FIELD: Bird Canyon
COUNTY: Sublette STATE: Wyoming

I

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-006 | The United States of America Serial Number Evanston-025548 | K. Dean Butler | 1/1/48 | |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 112 W., 6th P.M.
Section 26: NE/4;

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;
2. A proportionate share of overriding royalties totaling 2.88%;
3. Unit Operating Agreement dated April 15, 1969, among Belco Petroleum Corporation, as Operator, et al;
4. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators;
5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators;
6. Unit Agreement dated as of April 15, 1969 among Belco Petroleum Corporation, as Operator, et al;
7. Operating Agreement dated as of March 1, 1976 among Belco Petroleum Corporation, as Operator, et al;
8. Unit Agreement dated as of March 1, 1976 among Belco Petroleum Corporation, as Operator, et al.
9. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors.

II.

| Lease Number | Lessor | Lessee | Lease Date | Book/Page/Entry |
|---|---|---|---|---|
| WY-EC-01-006 | The United States of America Serial Number Evanston-025548 | K. Dean Butler | 1/1/48 | |

Insofar and only insofar as said lease covers and pertains to:

T. 27 N., R. 112 W., 6th P.M.
Section 26: NE/4;

Subject to the following:

CONTRACT NUMBER:

1. A proportionate share of a lessor's royalty of 12.5%;
2. A proportionate share of overriding royalties totaling 2.88%;
3. Unit Operating Agreement dated April 15, 1969, among Belco Petroleum Corporation, as Operator, et al;

PROPERTY NUMBER: WY-EC-01-805-01 (Continued)

4. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and Robert Linton, et al, as Non-Operators;

5. Operating Agreement dated as of November 1, 1974 between Westrans Petroleum, Inc. as Operator, and C. C. Basset, et al, as Non-Operators;

6. Farmout Agreement dated July 28, 1971 from Belco Petroleum Corporation, as Farmor, and Mountain Minerals Co., Farmee;

7. Unit Agreement dated as of April 15, 1969 among Belco Petroleum Corporation, as Operator, et al;

8. Operating Agreement dated as of March 1, 1976 among Belco Petroleum Corporation, as Operator, et al;

9. Unit Agreement dated as of March 1, 1976 among Belco Petroleum Corporation, as Operator, et al;

10. Gas Purchase Contract dated August 13, 1980 between Petro-Lewis Funds, Inc., as Seller, and Northwest Pipeline Corporation, as Buyer.

11. Any and all other contracts, agreements, burdens and encumbrances concerning or affecting the above-described leases and lands which are of record as of June 30, 1987, but excluding any matters arising by, through or under Assignors.

All recording references are to the Records of Sublette County, Wyoming.

| Operating Interest | BPO | APO |
|---|---|---|
| | 48.506800% | 24.253400% |

| Net Revenue Interest | BPO | APO |
|---|---|---|
| | 34.682362% | 20.123701% |

VOL 1195 PAGE 392

Odegard/S&S

# CONSENT
# AND
# SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK

COUNTY OF NEW YORK

BE IT KNOWN AND REMEMBERED that before the undersigned Notary Public personally came and appeared:

BRIAN J. MARTIN,

in his capacity as Vice-President of Prudential-Bache Energy Production Inc., whose mailing address is One Seaport Plaza, 199 Water Street, New York, New York 10292 (the "Corporation"), who acknowledged before me on this day that he was duly authorized to act on behalf of the Corporation and who further declared and said that the Corporation does hereby appear for the purpose of taking the following actions:

## I. Consent

The Corporation, individually and in its capacity as general partner of Prudential-Bache Energy Income Limited Partnership IVP-16 and Prudential-Bache Energy Income Limited Partnership IVP-17 (the "Partnerships"), hereby (i) ratifies and affirms the actions taken by Graham Royalty, Ltd. ("Graham Royalty") prior to the date hereof in connection with the commitment to dispose of and the disposition of undivided interests in the oil and gas properties and other related assets (the "Oil and Gas Properties") by the Partnerships and the Corporation pursuant to that certain Letter Agreement dated July 22, 1987 by and between Graham Royalty and Odegard Energy, Inc. (the "Odegard Agreement"), pursuant to that certain Letter Agreement dated July 27, 1987 by and among Graham Royalty and S&S Energy, Inc. (the "S&S Agreement"), and pursuant to that certain Assignment, Bill of Sale and Conveyance dated July 22, 1987 by and among inter alios Graham Royalty, the Partnerships, the Corporation and Flash Gas & Oil, Inc. (the "Assignment"), including the negotiation, execution and amendment of the Odegard and S&S Agreements and the Assignment; and (ii) consents to the disposition of interests in and to the Oil and Gas Properties by the Partnerships and the Corporation and the execution, delivery and performance of such agreements, conveyances, instruments, certificates and amendments thereto and to the Odegard and S&S Agreements as Graham Royalty in its discretion shall deem necessary or appropriate to the consummation of the transactions contemplated by the Odegard and S&S Agreements and the disposition of interest in the Oil and Gas Properties by the Corporation and the Partnerships.

## II. Special Power of Attorney

The Corporation hereby makes, names, ordains, constitutes and appoints Graham Royalty, whose mailing address is Post

Office Box 3134, Covington, Louisiana 70434, as its true and lawful agent and attorney in fact, hereby giving and granting unto Graham Royalty full power and authority for the Corporation and in its name, place and stead, in any and all capacities, to do and perform all things and acts necessary or appropriate in connection with the disposition by the Corporation and the Partnerships of interests in and to the Oil and Gas Properties, including specifically such assignments, bills of sale, deeds, and other conveyances of the Oil and Gas Properties, and such other agreements, instruments, certificates and amendments thereto and to the Agreement as Graham Royalty in its discretion shall deem necessary or appropriate to the consummation of the transactions contemplated by the Agreement and the disposition by the Corporation and the Partnerships of interests in the Oil and Gas Properties.

The Corporation further authorizes and empowers Graham Royalty to do and perform any and every act, matter, and thing whatsoever, as shall or may be requisite and necessary in order to effectuate the purposes for which this Special Power of Attorney is granted, as fully and with like effect as if the Corporation had been personally present and had done any such thing, performed any such act, and/or had signed all and any such document, Corporation hereby ratifying and confirming any and all things done by Graham Royalty and adopting them as its own act and deed.

The Corporation further expressly stipulates that any ambiguities which may arise in the interpretation hereof shall be liberally construed so as to effectuate the purposes hereof and to validate all things done by Graham Royalty.

IN WITNESS WHEREOF, the Corporation has executed this Consent and Special Power of Attorney on this 29 day of July, 1987.

PRUDENTIAL-BACHE ENERGY PRODUCTION INC.

BY: _____
BRIAN J. MARTIN, VICE-PRESIDENT

SWORN TO AND SUBSCRIBED BEFORE ME, NOTARY, THIS 29th DAY OF July, 1987.

_____
NOTARY PUBLIC

My Commission expires:

_____

Notary Public, State of New York
No. 30-4533131
Qualified in [illegible] County
Commission Expires April 28, 1988

20

| | |
|---|---|
| RECORDED | OCT 7 1987 9:45AM |
| IN BOOK | 80 O&G PAGE 20 |
| FEES $ | 20.00 Mary L. Lankford COUNTY CLERK |
| | SUBLETTE COUNTY, PINEDALE, WYOMING |
| | By: Mary Riley |

218341

Federal 42-11
WY-307

ASSIGNMENT OF OVERRIDING ROYALTY TO MULTIPLE ASSIGNEES

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Ave., Ste 133, Englewood, Co 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter collectively referred to as "ASSIGNEE") as set out beside their respective names, an undivided overriding royalty interest free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom. Said overriding royalty interest shall be a total of 6.25% of 8/8ths of all revenue payable from the production of all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed from the oil and gas leases described in Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover those lands situated in Sublette County, Wyoming.

| | |
|---|---|
| * Energetics Inc., a Delaware corp.<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.0500000% |
| Energy Associates N.W. '78-B<br>1215 Norton Building<br>801 - 2nd Avenue<br>Seattle, Washington 98104 | .0937500% |
| Burton G. Ross, Trustee<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .0375000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | .257813% |
| Backer Resources, Inc.<br>P.O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C., Canada V7Y 1G5 | 1.5000000% |
| Energetics 1978B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .3125000% |

* SEE RIDER ATTACHED.

Robert L. Mehl .3318620%
102 Inverness Terrace East
Englewood, Colorado 80112

Patrick D. Maher .3318620%
13275 E. Fremont Place, Suite 203
Englewood, Colorado 80112

Jordan R. Smith .1807000%
102 Inverness Terrace East
Englewood, Colorado 80112

D & R Energy Program 1978 .3140630%
430 International Centre
900 Second Avenue South
Minneapolis, Minnesota 55416

Boettcher Management 1978 Drilling Program .4687500%
828 - 17th Street
Denver, Colorado 80201

Energetics 1978 Limited Partnership .8687500%
1300 Main Street, Suite 512
Houston, Texas 77002

Dakel Company .0597050%
P.O. Box 2187, Loop Station
Minneapolis, Minnesota 55402

Guaranty Capital Investors, Ltd. .4184200%
200 Transwestern II Building
P.O. Box 31515
Billings, Montana 59107-1515

Rocky Mountain Oilfinders, Inc. .0243250%
6060 S. Willow Drive, #3112
Englewood, Colorado 80111-5112

TO HAVE AND TO HOLD the interest transferred and assigned unto Assignee, its heirs, devisees, personal representatives, successors and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. Assignor reserves the right, without consent of Assignee, to pool, unitize or otherwise combine all or any portion of said leases and the overriding royalty interest herein conveyed, with any other leases covering other lands in the vicinity thereof. In the event Assignor shall enter into any such pooling, unitization or other arrangement, Assignee's overriding royalty interest share shall be ascertained, computed and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

5. This Assignment of Overriding Royalty is made subject to the terms and conditions of the Farmout Agreement dated May 1, 1980, between Energy Associates N.W. '78 et al, as Farmor and MM&S Partners, et al as Farmees.

This instrument shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production of the Federal #42-11 Well and if executed by less than all of the Assignees, is still in full force and effect only as to those Assignees executing this Assignment.

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By Donald L. Peterson

~~Joseph C. Menein~~
~~Agent and Attorney-In-Fact~~
Donald L. Peterson, President

ENERGY ASSOCIATES N.W. '78-B

By Robert C. St. Louis

BURTON G. ROSS, TRUSTEE

By _____

SPACE RESOURCES, INC.

By _____

BACKER RESOURCES, INC.

By _____

ENERGETICS 1978B LIMITED PARTNERSHIP

By _____

ROBERT L. MEHL

By _____

PATRICK D. MAHER

By _____

JORDAN R. SMITH

By _____

D & R ENERGY PROGRAM 1978

By _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By _____

ENERGETICS 1978 LIMITED PARTNERSHIP

By _____

DAKEL COMPANY

By _____

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin, Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS, LTD.

By _____

ROCKY MOUNTAIN OILFINDERS, INC.

By _____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this ____ day of _____, 1984, by Joseph C. Mencin, Agent and Attorney-in-Fact of ENERGETICS, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residence: _____

_____

STATE OF WASHINGTON )
) ss:
County of King )

The foregoing instrument was acknowledged before me this 5th day of October, 1987, by Robert C. St. Louis, as General Partner of Energy Associates N.W. '78-B.

Witness my hand and official seal.

My Commission Expires: 1/18/91

J. WERNER NOTARY PUBLIC STATE OF WASHINGTON

Diane J. Werner
NOTARY PUBLIC in and for the State of Washington residing at Bellevue

[redacted] [redacted] [redacted]

Exhibit "A"

Attached to and made a part of the certain Assignment of Overriding Royalty by and between Energetics Operating Company and Energetics, Inc., a Delaware corporation, et al.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

[redacted] [redacted] WY-307 [redacted] ield
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. This Assignment is made without representation or warranty of title, either express or implied.

4. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

5. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

218342

RECORDED OCT. 7 IN 87 9:45 A M
IN BOOK 80 O&G PAGE 27
FEES $20.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of May 1, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson
~~Joseph C. Menefin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____ By:_____

ENERGY ASSOCIATES N.W. 1978-A

By: Robert C. St. Louis

ENERGETIC 1978 LIMITED PARTNERSHIP, BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

ATTEST:

By:_____ By:_____
Lou Switzer, Assistant Secretary J. Thomas Reagan, President

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

BACKER RESOURCES, INC.

By:_____ By:_____

BOETTCHER MANAGEMENT 1978 DRILLING
PROGRAM

By:_____

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

ATTEST:

SPACE RESOURCES, INC.

By:_____

By:_____

ATTEST:

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ATTEST:

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

By:_____

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

STATE OF WASHINGTON )
) ss:
County of King )

The foregoing instrument was acknowledged before me this 5th day of October, 1987, by Robert C. St. Louis, as General Partner, for Energy Associates N.W. 1978-A.

Witness my hand and official seal.

My Commission Expires: 11-3-91 -3-29

Diane J. Werner
NOTARY PUBLIC in and for the State of Washington residing at Bellevue

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MAY 1, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| Energy Associates N. W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | 1.5000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 13.9000% |
| Boettcher Management 1978 Drilling Program<br>828-17th street<br>P. O. Box 54<br>Denver, Colorado 80202 | 7.5000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 5.0250% |
| Burton G. Ross, Trustee for the Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .6000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 4.1250% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 24.0000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.0000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 5.3098% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 5.3098% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.8912% |
| * Energetics, Inc. a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 16.8000% |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive #3112<br>Englewood, Colorado 80111-5112 | .3892% |
| Guaranty Capital Investors Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 6.6947% |
| Dakel Company<br>P.O. P[redacted] 2187, Loop Station<br>Mi[redacted]is, Minnesota 55402 | .9553% |

EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective May 1, 1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4, NE¼<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the base of the Almy formation down to all depths. | Not Available |

31

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

[redacted] [redacted] [redacted]

WY-307, Russ Field

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of April 30, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson

~~Joseph C. Menein~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL

218343

RECORDED Oct. 7 19 87 9:45 A M
IN BOOK 80 O&G PAGE 33
FEES $20.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marc Riley

ASSIGNEES

ATTEST:

By:_____

ENERGETICS 1979 YEAR-END LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

D&R ENERGY PROGRAM 1979 YEAR-END

By:_____

ENERGY ASSOCIATES N.W. 1978-A

By: Robert C. St. Louis

ATTEST:

By:_____

ENERGETICS 1978 LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By:_____

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

By:_____

SPACE RESOURCES, INC.

By:_____

ATTEST:

By:_____

BACKER RESOURCES, INC.

By:_____

ATTEST:

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

ATTEST:

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

By:_____

J. E. BRAAS

_____

KENT R. ELLISON

_____

DOUGLAS H. SMITH

_____

_____

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____

By:_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

COUNTY OF COLORADO )
)ss
STATE OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

COUNTY OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1978 Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

STATE OF WASHINGTON )
) ss:
County of King )

The foregoing instrument was acknowledged before me this 5th day of October, 1987, by Robert C. St. Louis, As General Partner, for Energy Associates N.W. 1978-A.

Witness my hand and official seal

Diane J. Werner
NOTARY PUBLIC in and for the State of Washington residing at [redacted]

[redacted] Commission Expires: 1/1/[redacted]

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, eff. April 30, 1984, between Energetics Operating Company and Energetics 1979 Year-End Limited Partnership, et al.

| | |
|---|---|
| * Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 17.82000000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 10.35000000% |
| Energy Associates N.W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | .60000000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.56000000% |
| Boettcher Management 1978 Drilling Program<br>828-17th Street<br>P. O. Box 54<br>Denver, Colorado 80202 | 3.00000000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 2.01000000% |
| Burton G. Ross, Trustee for the Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .24000000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 1.650000000% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 9.60000000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 2.00000000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.12392000% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 2.12392000% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.15648000% |

* SEE RIDER ATTACHED.

| | |
|---|---|
| * Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 22.35000000% * |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .15568000% |
| J. E. Brass<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .12929544% |
| Kent R. Ellison<br>711 Vanadlia Street<br>St. Paul, Minnesota 55114 | .12929544% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55429 | .08619696% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 18.53521216% |
| Dakel Company<br>P. O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .38000000% |

* SEE RIDER ATTACHED.

## EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective April 30,1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the baee of the Almy formation. | Not Available |

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective April 30, 1984, by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

[redacted] [redacted] [redacted]

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

42

RECORDED Oct. 13 19 87 11:00 AM
IN BOOK 80 O&G PAGE 42
FEES $ 9.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

WY-324
Green River Bluffs

218403

# ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby convey, transfer and assign, and set over unto the ENERGETICS ROYALTY CORPORATION, a Delaware corporation, 102 Inverness Terrace East, Englewood, Colorado 80112 (hereinafter referred to as "ASSIGNEE") an overriding royalty, free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom, in the amount of 2% of 8/8ths of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands (lease acreage) described in Exhibit "A" attached hereto and by their reference made a part hereof, said lease acreage situated in SUBLETTE County, WYOMING.

TO HAVE AND TO HOLD the interest transferred and assigned unto ASSIGNEE, their heirs, devisees, personal representatives, successors, and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas, and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. The overriding royalty interest herein transferred shall be a burden only upon the interest presently owned by ASSIGNOR in the oil and gas leases and leasehold estates described in Exhibit "A". If ASSIGNOR'S interest in said leasehold estates is less than the entire interest or if the lessor's interest in the leased minerals is less than the entire interest, then the above overriding royalty interest shall be reduced proportionately.

5. ASSIGNOR reserves the right, without consent of ASSIGNEE, to pool, unitize, or otherwise combine all or any portion of said lease and other lands and the overriding royalty interest herein conveyed with any other leases covering other lands in the vicinity thereof. In the event ASSIGNOR shall enter into such pooling, unitization, or other arrangement, ASSIGNEE'S overriding royalty interest share shall be ascertained, computed, and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

This instrument shall inure to the benefit of and be binding upon ASSIGNOR and ASSIGNEES, their successors and assigns.

[redacted] [redacted] [redacted]yoming

This signature page is attached to and made a part of that certain Assignment of Overriding Royalty from ENERGETICS OPERATING COMPANY into ENERGETICS ROYALTY CORPORATION dated SEP 30 1987.

---

EXECUTED SEP 30 1987 but effective for all purposes as of November 30, 1984.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson, President

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 30th day of September, 19 87, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires:

June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202
Notary Public

EXHIBIT "A"

Sublette County, Wyoming

Attached to and made a part of that certain Assignment of Overriding Royalty dated SEP 30 1987 from Energetics Operating Company to Energetics Royalty Corporation

| LEASE NO. | LESSOR | LESSEE | DATE | DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| 10972 | USA W-66558 | Jerry John Campbell | 3/1/79 | T27N, R110W, 6th P.M.<br>Section 19: Lots 1, 2, E½, E½NW¼<br>Section 30: NE¼ | Not recorded | |
| 13241 | USA W-74295 | Joseph P. Notaro | 3/1/82 | T27N, R110W, 6th P.M.<br>Section 28: E½ | Not recorded | |

49A

RECORDED Oct. 13 19 87 11:00 AM
IN BOOK 80 0:G PAGE 44
FEES $ 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

WY-371
Northern Prospect

218404 ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby convey, transfer and assign, and set over unto the ENERGETICS ROYALTY CORPORATION, a Delaware corporation, 102 Inverness Terrace East, Englewood, Colorado 80112 (hereinafter referred to as "ASSIGNEE") an overriding royalty, free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom, in the amount of 2% of 8/8ths of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands (lease acreage) described in Exhibit "A" attached hereto and by their reference made a part hereof, said lease acreage situated in SUBLETTE County, WYOMING.

TO HAVE AND TO HOLD the interest transferred and assigned unto ASSIGNEE, their heirs, devisees, personal representatives, successors, and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas, and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. The overriding royalty interest herein transferred shall be a burden only upon the interest presently owned by ASSIGNOR in the oil and gas leases and leasehold estates described in Exhibit "A". If ASSIGNOR'S interest in said leasehold estates is less than the entire interest or if the lessor's interest in the leased minerals is less than the entire interest, then the above overriding royalty interest shall be reduced proportionately.

5. ASSIGNOR reserves the right, without consent of ASSIGNEE, to pool, unitize, or otherwise combine all or any portion of said lease and other lands and the overriding royalty interest herein conveyed with any other leases covering other lands in the vicinity thereof. In the event ASSIGNOR shall enter into such pooling, unitization, or other arrangement, ASSIGNEE'S overriding royalty interest share shall be ascertained, computed, and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

This instrument shall inure to the benefit of and be binding upon ASSIGNOR and ASSIGNEES, their successors and assigns.

Wyoming

This signature page is attached to and made a part of that certain Assignment of Overriding Royalty from ENERGETICS OPERATING COMPANY into ENERGETICS ROYALTY CORPORATION dated SEP 30 1987.

---

EXECUTED SEP 30 1987 but effective for all purposes as of November 30, 1984.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

BY: Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLORADO

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 30th day of September, 19 87, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires:

June 29, 1989

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty
dated SEP 30 1987 from Energetics Operating Company to Energetics Royalty Corporation

| LEASE NO. | LESSOR | LESSEE | DATE | DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| 13250 | USA W-35958 | Jas. O. Breene, Jr. | 8/1/72 | T27N, R11OW<br>Section 14: E½, SW¼ | Not Recorded | |
| 13275 | USA W-73781 | Jas. O. Breene, Jr. | 8/1/72 | T27N, R11OW<br>Section 12: E½NE¼ | Not Recorded | |

RECORDED OCT 13 1982 11:41 AM
IN BOOK 80 O&G PAGE 47
FEES $8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

WY-232
Western Green River

218405 ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby convey, transfer and assign, and set over unto the ENERGETICS ROYALTY CORPORATION, a Delaware corporation, 102 Inverness Terrace East, Englewood, Colorado 80112 (hereinafter referred to as "ASSIGNEE") an overriding royalty, free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom, in the amount of 2% of 8/8ths of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands (lease acreage) described in Exhibit "A" attached hereto and by their reference made a part hereof, said lease acreage situated in SUBLETTE County, WYOMING.

TO HAVE AND TO HOLD the interest transferred and assigned unto ASSIGNEE, their heirs, devisees, personal representatives, successors, and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas, and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. The overriding royalty interest herein transferred shall be a burden only upon the interest presently owned by ASSIGNOR in the oil and gas leases and leasehold estates described in Exhibit "A". If ASSIGNOR'S interest in said leasehold estates is less than the entire interest or if the lessor's interest in the leased minerals is less than the entire interest, then the above overriding royalty interest shall be reduced proportionately.

5. ASSIGNOR reserves the right, without consent of ASSIGNEE, to pool, unitize, or otherwise combine all or any portion of said lease and other lands and the overriding royalty interest herein conveyed with any other leases covering other lands in the vicinity thereof. In the event ASSIGNOR shall enter into such pooling, unitization, or other arrangement, ASSIGNEE'S overriding royalty interest share shall be ascertained, computed, and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

This instrument shall inure to the benefit of and be binding upon ASSIGNOR and ASSIGNEES, their successors and assigns.

[redacted] [redacted] [redacted]yoming

This signature page is attached to and made a part of that certain Assignment of Overriding Royalty from ENERGETICS OPERATING COMPANY into ENERGETICS ROYALTY CORPORATION dated OCT 1 1987.

---

EXECUTED OCT 1 1987 but effective for all purposes as of November 30, 1984.

ATTEST:

Suzanne R. Kalutkiewicz
Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By Donald L. Peterson
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLO

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 19 87, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires:

June 29, 1989

Tom G. Griffith
Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

EXHIBIT "A"

Sublette County, Wyoming

Attached to and made a part of that certain Assignment of Overriding Royalty dated OCT 1 1987 from Energetics Operating Company to Energetics Royalty Corporation

| LEASE NO. | LESSOR | LESSEE | DATE | DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| 10991 | USA W-67562 | Joe Lyon, Jr. | 5/1/79 | T28N, R110W<br>Section 32: N½NW¼, SE¼NW¼, SW¼SW¼, SE¼ | | Not Recorded |
| 11225 | USA W-64234 | Alexander S. Bowers | 8/1/78 | T28N, R110W<br>Section 27: S½<br>Section 28: SE¼ | | Not Recorded |

49

WY-561

RECORDED Oct. 13 1982 11:00 AM
IN BOOK 80 O&G PAGE 50
FEES $8.00 Mary L. Caulfield COUNTY CLERK BY:
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNMENT OF OVERRIDING ROYALTY

218436

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby convey, transfer and assign and set over unto the ENERGETICS ROYALTY CORPORATION, a Delaware corporation, 102 Inverness Terrace East, Englewood, Colorado 80112 (hereinafter referred to as "ASSIGNEE") an overriding royalty, free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom, in the amount of 1% of 8/8ths of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands (lease acreage) described in Exhibit "A" attached hereto and by their reference made a part hereof, said lease acreage situated in Sublette County, Wyoming.

TO HAVE AND TO HOLD the interest transferred and assigned unto ASSIGNEE, their heirs, devisees, personal representatives, successors, and assigns, forever subject only to the following terms and provisions:

1. This Assignment of Overriding Royalty is expressly made subject to all the terms, conditions and provisions of that certain:

Farmout Agreement dated April 29, 1982, as amended, by and between Belco Petroleum Corporation and Energetics, Inc.

If said agreement provides for any reversionary interests then the following shall occur:

(a) The overriding royalty herein transferred shall increase to 2% of 8/8ths in the event the burdens on the leases described in Exhibit "A" decrease to twenty percent (20%) or less as a result of any reversions pursuant to said agreement.

(b) The overriding royalty herein transferred shall proportionately increase or decrease, in accordance with Paragraph 5 hereof, along with any change in the working interest of ASSIGNOR, its successors and assigns.

2. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of said leases or any extension or renewal thereof.

3. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas, and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

4. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

5. The overriding royalty interest herein transferred shall be a burden only upon the interest presently owned by ASSIGNOR, its successors and assigns, in the oil and gas leases and leasehold estates described in Exhibit "A". If ASSIGNOR'S interest in said leasehold estates is less than the entire interest or if the lessor's interest in the leased minerals is less than the entire interest, then the above overriding royalty interest shall be reduced proportionately. The interest to be assigned to Encore Exploration 1982-Dev. L.P. and also Bird Canyon Development-1982 L.P. shall not be burdened by this Assignment.

6. ASSIGNOR reserves the right, without consent of ASSIGNEE, to pool, unitize, or otherwise combine all or any portion of said lease and other lands and the overriding royalty interest herein conveyed with any other leases covering other lands in the vicinity thereof. In the event ASSIGNOR shall enter into any such pooling, unitization, or other arrangement, ASSIGNEE'S overriding royalty interest share shall be ascertained, computed, and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

This instrument shall inure to the benefit of and be binding upon ASSIGNOR and ASSIGNEE, their successors and assigns.

EXECUTED SEP 3 0 1987, but effective for all purposes as of the date of first production of the Federal #10-9 Well located on the subject lease and lands.

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson

Donald L. Peterson, President

STATE OF COLORADO )
) ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this 30th day of September, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My Commission expires:

June 29, 1989

Tom G. Griffith

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

TOM G. GRIFFITH NOTARY PUBLIC STATE OF C

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated SEP 30 1987, from Energetics Operating Company to Energetics Royalty Corporation.

| | |
|---|---|
| Lease No.: | 15281 |
| Lessor: | USA, W-42781 |
| Lessee: | Arthur N. Rupe |
| Date: | January 1, 1974 |
| Recorded: | Book 71 Oil & Gas at Page 310 |
| Lands Covered: | Township 27 North, Range 111 West, 6th P.M.<br>Section 9: W½ |

Containing 320 acres, more or less, in Sublette County, Wyoming

634999---

# SURRENDER OF OIL AND GAS LEASE

WHEREAS, under date of 11/1/77, that certain oil and gas lease bearing Serial No. W-61045 was issued to Marquerite P. Smith; said lease being recorded in Book _____, Page _____, of the _____ records of the County of Sublette, State of Wyoming, and covering the following described lands situated in said County and State to wit:

Township 28 North, Range 111 West, 6 PM
Section 1: Lots 1,2,3,4, S/2N/2, S/2
Section 2: Lots 1,2,3,4, S/2N/2
Section 3: Lots 1,2,3

Containing 900.65 acres

218112

RECORDED Oct. 13 1987 2:00 P.M.
IN BOOK 80 of G PAGE 53
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

AND WHEREAS, the undersigned is(are) the present owner(s) of said Oil and Gas Lease and all rents, royalties and other obligations under said lease have been duly satisfied, and there is not now due or owing any wages or monies to workmen employed in leasehold operations conducted on the above described lands, and the public interest will not be impaired if said lease is surrendered as to such lands; and full provisions for the conservation and protection of the said property have been made by the Lessee; and

WHEREAS, the present owner(s) now desire to surrender, release, and relinquish said lease insofar as it covers the above described lands.

NOW THEREFORE, for and in consideration of the premises, the undersigned, the present owner(s) of said lease does(do) hereby surrender, release, and relinquish all of its(their) right, title and interest in and to the above referred to oil and gas lease insofar as it covers the above described lands.

IN WITNESS WHEREOF, this instrument is executed this 21st day of September, 1987.

Amoco Production Company

By _____
Its Attorney In Fact

APPROVED
11/12

The relinquishment filed on 9/25/87, is hereby accepted and considered effective as of that date.

Patricia J. Wattles
Patricia J. Wattles
Supervisor, Preleasing Unit
September 29, 1987

W Y O M I N G

STATE OF COLORADO )
CITY AND : ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me by _____, as Attorney-in-Fact for AMOCO PRODUCTION COMPANY, this 21st day of September, 1987.

WITNESS my hand and official seal.

_____
Notary Public

My commission expires:
My Commission expires July 8, 1990

Amoco Building Box 800
Denver, Colorado 01

# SURRENDER OF OIL AND GAS LEASE

WHEREAS, under date of 2/1/78, that certain oil and gas lease bearing Serial No. W-61794 was issued to Lillian L. Jessen; said lease being recorded in Book 56, Page 261, of the records of the County of Sublette, State of Wyoming, and covering the following described lands situated in said County and State to wit:

Township 28 North, Range 110 West, 6 PM
Section 19: SE/4
Section 20: S/2
Section 22: S/2
Section 23: SW/4
Section 26: N/2NW/4, SW/4NW/4
Section 27: N/2
Section 28: N/2
Section 29: N/2
Section 30: NE/4

Containing 2200.00 acres

FILED
1987 SEP 25 AM 9:30
CHEYENNE, WYOMING

AND WHEREAS, the undersigned is(are) the present owner(s) of said Oil and Gas Lease and all rents, royalties and other obligations under said lease have been duly satisfied, and there is not now due or owing any wages or monies to workmen employed in leasehold operations conducted on the above described lands, and the public interest will not be impaired if said lease is surrendered as to such lands; and full provisions for the conservation and protection of the said property have been made by the Lessee; and

WHEREAS, the present owner(s) now desire to surrender, release, and relinquish said lease insofar as it covers the above described lands.

NOW THEREFORE, for and in consideration of the premises, the undersigned, the present owner(s) of said lease does(do) hereby surrender, release, and relinquish all of its(their) right, title and interest in and to the above referred to oil and gas lease insofar as it covers the above described lands.

IN WITNESS WHEREOF, this instrument is executed this 21st day of September, 1987.

218413

RECORDED Oct. 13 19 87 2:00 PM
IN BOOK 80 O&G PAGE 54
FEES $5.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

The relinquishment filed on 9/25/87, is hereby accepted and considered effective as of that date.

Amoco Production Company
By John D. Myers
Its Attorney In Fact

APPROVED MLE BAC

Patricia J. Wattles
Patricia J. Wattles
Supervisor, Preleasing Unit

September 29, 1987

WYOMING

STATE OF COLORADO )
CITY AND : ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me by John D. Myers, as Attorney-in-Fact for AMOCO PRODUCTION COMPANY this 21st day of September, 1987.

WITNESS my hand and official seal.

Virginia K. Dietz
Notary Public

My commission expires:
My Commission expires July 8, 1990

54

Amoco Building Box 800

218416

RECORDED Oct. 13 1987 2:00 P.M.
IN BOOK 80 of G PAGE 55
FEES $ 18.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

# ASSIGNMENT BILL OF SALE and CONVEYANCE

This Assignment, Bill of Sale and Conveyance (hereafter called "Assignment") effective as of December 1, 1986 at 7:00 a.m. local time between GCIL IV Limited Partnership, a Montana limited partnership (hereafter called "Partnership"), 200 Transwestern Plaza II, 490 North 31st Street, Billings, Montana 59101, as Assignor, and North American Resources Company, Inc. (hereafter called "Narco"), 16 East Granite, Butte, Montana 59701-9334, as Assignee.

WITNESSETH:

Partnership hereby grants, bargains, sells, conveys, assigns, transfers, sets over and delivers to Narco, effective as of the effective date, all of its right, title and interest in and to

(a) All of the oil and gas properties and interest, producing and nonproducing, owned by Partnership, wherever situated, consisting of oil and gas leases (including mineral rights), subleases, fee estates, farm-outs, joint ventures and leaseholds, royalties, overriding royalties, production payments, net profits interest, carried interest and all other properties and interest on which Partnership conducts oil and gas exploration, development or production operation, has the right to conduct such operations, or from which Partnership derives or expects to derive revenue from oil and gas exploration, development, or production operations, and any and all existing rights to acquire any of the foregoing, including, but not limited to, the properties and interests set forth on Exhibit "A" attached hereto;

(b) All of the presently existing and valid unitization, pooling and communitization agreements, declarations and orders, and the properties covered and the units created thereby (including, but not limited to, all units formed under orders, regulations, rules and other official acts of any federal, state or other governmental agency having jurisdiction), which relate to or affect any of the properties and interest of Partnership described or referred to in subsection (a) above, or the production of oil and gas attributable to said properties and interest and other minerals and products produced in association therewith;

(c) All presently existing and valid oil, casinghead gas and gas sales, purchase, exchange, transportation and processing contracts, operating agreements, joint venture agreements, partnership agreements and other contracts, agreements and instruments that relate to any of the properties and interest of Partnership described or referred to in subsection (a), above, or any unit or units in which part or parts of such properties or interest may be included, or to the exploration, development, or production of oil and gas from or attributable to said properties and interest or such unit or units and other minerals and products produced in association therewith;

(d) All personal property, improvements, easements, permits, licenses, servitudes, rights-of-way, service leases and other surface rights (including, but not limited to, any wells, tanks, boilers, buildings, fixtures, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, gas processing plants and facilities, machinery, power lines, telephone and telegraph lines, roads, and other appurtenances, easements and facilities), now being used or held for use in connection with the exploration, development, operation or maintenance of the properties and interest described in subsections (a), (b), and (c), above, or any unit or units in which part or parts of such properties or interest may be included, or now being used or held for use in connection with the producing, treating, processing, storing, gathering or marketing of oil and gas attributable to such properties or interests or such unit or units and other minerals and products produced in association therewith, together with all oil, gas and other minerals, on hand, in transit or in storage;

(e) All lease files, land files, well files, gas and oil sales contract files, gas processing files, division order files, abstracts, title opinions, land surveys, electric logs, geological prospect maps, geophysical data, computer software, files, maps and accounting records, and all rights thereto related primarily to and in the properties or interest, or used primarily in the maintenance or operation thereof, described or referred to in subsections (a) through (d), above, or to any unit or units in which part or parts of such properties or interest may be included or to the producing, trading, processing, storing, gathering or marketing of oil and gas attributable to such properties or interests of such unit or units and other minerals and products produced in association therewith;

(f) Without limitation of the foregoing, all of Partnership's right, title and interest and estate, whether real, personal or mixed, of every nature and description in and to the properties described or any of the lands covered by the properties described, whether such right, title, claim or interest be under and by virtue of an oil, gas and mineral lease, a mineral deed, a royalty deed, an overriding royalty assignment or reservation, a production payment, an operating agreement, a unitization, pooling, operating or communitization agreement, declaration or order, a division order, a transfer order or any other type of contract, conveyance or instrument, or under and by virtue of any other type of claim or title, legal or equitable, recorded or unrecorded, and even though Partnership's interest therein be incorrectly described in or a description of such interest be omitted from the exhibit hereto;

(g) All of Partnership's accounts receivable for production payments and reserve accounts relating thereto;

(h) All of Partnership's right, title and interest of the above described properties, interests and rights specified in the foregoing subparagraphs (a) through (h) are herein collectively called the "Property Interests". Each individual interest is herein called a "Property Interest". The term "Property Interests" shall also include any and all renewals and extensions of a Property Interest and the additional interest, if any, described in the preamble to Exhibit "A" hereto.

TO HAVE AND TO HOLD the Property Interests, together with all and singular the rights and privileges in anywise appertaining thereto, unto assignees and their successors and assigns forever.

This Assignment is made without warranty, either express or implied.

Assignor agrees to execute, acknowledge and deliver to Assignee all such other additional instruments, notices, division orders, transfer orders and other documents, including separate assignments on forms described or suggested by governmental entities and agencies and to do all such other and further things as may be necessary to more fully and effectively grant, convey, sell and assign the property interest conveyed hereby or intended so to be.

Reference is made to Exhibit "A" attached hereto and made a part hereof for all purposes. References in Exhibit "A" to instruments on file and the public records are made for all purposes. Unless provided otherwise all recording references in Exhibit "A" are to the appropriate records in the county or counties or parish or parishes in which the property interests are located.

This Assignment is being executed in several original counterparts, all of which are identical, except that, to facilitate recordation, in each counterpart only those subdivisions in Exhibit "A", which contain specific descriptions of those property interests located or affecting lands located in the recording jurisdiction in which the particular counterpart is to be recorded are included. Each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts together shall constitute but one and the same assignment.

EXECUTED as of this 26th day of January, 1987.

GCIL IV LIMITED PARTNERSHIP

BY GENERAL HYDROCARBONS, INC., Managing General Partner

GENERAL HYDROCARBONS, INC. CORPORATE SEAL Attest

Assistant Secretary

-By _____
WAYNE H. CHESTNUT, Chairman

GCIL IV LIMITED PARTNERSHIP

STATE OF MONTANA )
:
County of Yellowstone )

On this 26th day of January, 1987, before me, a Notary Public of said State, duly commissioned and sworn, personally appeared WAYNE H. CHESTNUT and DON G. KNUDSEN, known to me to be the Chairman of the Board and Assistant Secretary, respectively, of and the persons who executed the within instrument on behalf of GENERAL HYDROCARBONS, INC., a Minnesota corporation, as the Managing General Partner of GCIL IV LIMITED PARTNERSHIP, a Montana Limited Partnership, the corporation and limited partnership that executed the within instrument, and acknowledged to me that such corporation and limited partnership executed the same. In Witness Whereof, I have hereunto set my hand and affixed my offical seal the day and year in this certificate first above written.



(Notarial Seal)

Donna D. Gabel
Notary Public for the State of Montana
Residing at Billings, Montana
My commission expires 10/15/87

EXHIBIT "A"

PREAMBLE TO EXHIBIT A TO THE ASSIGNMENT, BILL OF SALE AND CONVEYANCE

Attached to and forming a part of the Assignment, Bill of Sale and Conveyance dated as of January 26, 1987.

1. Format of Description. The format of the description is as follows:

(.1) This Exhibit A is physically divided into Divisions, one for each of the States in which one or more of the Property Interests, or land affected by one or more of the Property Interests, is located. Each Division in turn is divided physically into Subdivisions, one for each of the Counties or Parishes in which one or more of the Property Interests, or land affected by one or more of the Property Interests, is located or for each combination of two or more of Counties or Parishes in the case of a Property Interest located, or affecting land party in one County or Parish and partly in another.

(.2) The description describes each lease in which Assignor owns an interest whether or not attributable to any Well or Unit. If a lease covers land in more than one County or Parish, the lease may be repeated for descriptive purposes; however, the intent is to describe the Assignor's interest in such lease only one time.

(.3) With respect to each lease, the description reflects Assignee's lease number, the original Lessor, the original Lessee, the date (which may be the effective date), the recordation reference description and, possibly, a footnote. The recording references contained in this Exhibit A refer to the respective book or volume and page or entry number of the records of the recorder of the particular County or Parish in which the document referred to is actually or customarily recorded. Certain property descriptions contained in this Exhibit A are in abbreviated form as to sections, townships and ranges. For purposes of land identification and by way of example, the description "E½NW¼, SW¼ Sec 14 32N-11E" refers to the East half of the Northwest Quarter and the Southwest Quarter of Section 14 in Township 32 North, Range 11 East. Certain descriptions merely refer to the subdivision or survey in which the property is located for identification purposes. In the case of Federal, Indian and certain State leases, the interests shown may be in the nature of either record title or operating rights. The description may reflect all land originally included in the Lease for reference purposes and does not necessarily signify that Assignor owns the entire interest in such lease as to all such land or as to all depths or horizons.

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
BY AND BETWEEN GENERAL HYDROCARBONS 1983, ASSIGNOR, AND NORTH AMERICAN RESOURCES CO, ASSIGNEE

COUNTY: CUSTER
STATE: OKLAHOMA

| LEASE NO / BOOK/PAGE | LSE DATE / EXP DATE | LESSOR | LESSEE | TOWNSHP | RANGE | SECTION | DESCRIPTION |
|---|---|---|---|---|---|---|---|
| OK093870 / 498, 528 | 01/12/82 | GARLAND & HELEN LEONARD | ENERGETICS INC | 13N | 15W | 27 | NE4 |
| OK093871 / 499, 281 | 01/12/82 | GEORGE F LEONARD | ENERGETICS INC | 13N | 15W | 27 | NE4 |
| OK093872 / 499, 275 | 01/12/82 | JOHN P & CORENE WAGNON | ENERGETICS INC | 13N | 15W | 27 | NE4 |

09

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
BY AND BETWEEN GENERAL HYDROCARBONS 1983X, ASSIGNOR, AND NORTH AMERICAN RESOURCES CO, ASSIGNEE

COUNTY: SUBLETTE
STATE: WYOMING

| LEASE NO<br>BOOK/PAGE | LSE DATE<br>EXP DATE | LESSOR | LESSEE | TOWNSHP | RANGE | SECTION | DESCRIPTION |
|---|---|---|---|---|---|---|---|
| WY082330 | 07/01/79 | BUREAU OF LAND MANAGEMENT<br>CHEYENNE | OLE M HANSON | 27N | 111W | 20 | NW4SW4, S2SW4 |
| WY082360 | 09/01/77<br>08/31/87 | BUREAU OF LAND MANAGEMENT<br>CHEYENNE | DOROTHY LANGLEY | 27N | 111W | 20 | NE4SW4 |
| WY082370 | 03/31/76 | BUREAU OF LAND MANAGEMENT<br>CHEYENNE | MELVIN MEESTER | 27N | 111W | 17 | SE4 |

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EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
BY AND BETWEEN GENERAL HYDROCARBONS 1983X, ASSIGNOR, AND NORTH AMERICAN RESOURCES CO, ASSIGNEE

COUNTY: GRAND TRAVERSE
STATE: MICHIGAN

| LEASE NO / BOOK/PAGE | LSE DATE / EXP DATE | LESSOR | LESSEE | TOWNSHP | RANGE | SECTION | DESCRIPTION |
|---|---|---|---|---|---|---|---|
| MI093930<br>584, 573 | 01/21/83 | ROLAND M HABRECHT | WEST BAY EXPLORATION | 26N | 9W | 18 | W2SW4 |

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST IN
UNITED STATES OIL AND GAS LEASE W-21430
DISTRICT LAND OFFICE, CHEYENNE, WYOMING

KNOW ALL MEN BY THESE PRESENTS, That Gordon R. Hinz, Assignor, for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, all of his right, title, and interest to that certain overriding royalty which he reserved in an Assignment of Record Title affecting the above-referenced lease dated November 17, 1970 and approved effective December 1, 1970, being an undivided 1/2 of 1% of 8/8ths overriding royalty, to Carl W. Klaenhammer, 1335 South Wolcott Street, Casper, Wyoming 82601, on the follwing described lands only, a portion of which are included in the above-referenced United States oil and gas lease, together with any extensions or renewals thereof, to-wit:

218491

Township 36 North, Range 115 West, 6th P.M.
Section 1: All (608 acres)
Section 2: All (612 acres)
Containing 1,220 acres, more or less.
Sublette County, State of Wyoming

WITNESS my hand and seal this 14th day of October, 1987.

RECORDED Oct. 19 1987 10:30 A.M.
IN BOOK 80 O & G PAGE 63
FEES $4.00 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

Gordon R. Hinz
Gordon R. Hinz
Suite 528, The Main Building,
1212 Main Street,
Houston, Texas 77002

STATE OF TEXAS )
) ss.
COUNTY OF HARRIS )

On this 14th day of October, 1987, personally appeared before me Gordon R. Hinz, who duly acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Notary Public

My Commission Expires: June 30, 1988.

WHEN RECORDED RETURN TO:
CARL W. KLAENHAMMER,
1335 SOUTH WOLCOTT ST.,
CASPER, WYOMING 82601

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-62967

Lease effective date
March 1, 1974

PART I

1. Assignee's Name

Energetics Operating Company

Address *(include zip code)*
7951 E. Maplewood Avenue, Suite 133
Englewood, Colorado 80111

RECORD IN COUNTY ONLY

The undersigned, as owner of * percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 27 Noeth, Range 110 West, 6th P.M.
Section 8: NE/4 TRACT I: * 18.852559%

Section 8: S/2, NW/4 TRACT II: * 14.139345%

Containing 640 acres, more or less
Sublette County, Wyoming

From the surface to the stratigraphic equivalent of 14,405 feet as encountered in the Federal 20-8 well, located in the SW/4NE/4 of said Section 8.

This Assignment is subject to that certain Farmout Agreement dated March 19, 1980, as amended, between Northern Natural Gas Company and Energetics, Inc., and that certain Farmout Agreement dated October 10, 1980, between Gulf Oil Corporation and Energetics, Inc.

This Assignment is made and shall in all respects be subject to those provisions on the attached Rider.

RECORDED Oct. 19 1987 11:40 AM
IN BOOK 80 O&G PAGE 64
FEES 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Grace Riley

218494

| | TRACT I | TRACT II |
|---|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 10.048414% | 7.536271% |
| 4. Specify interest or percent of operating rights being retained by assignor | 8.804145% | 6.603074% |
| 5. Specify overriding royalty interest being reserved by assignor | None | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 11.625% | 9.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of October, 19 87, but effective June 1, 1985.
ENERGETICS, INC., a Delaware corporation

(Assignor's Signature)
Jordan R. Smith, President

102 Inverness Terrace East
(Assignor's Address)

Englewood, Colorado 80112
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

64 _____
(Title) (Date)

*NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accord*

RIDER

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 20, 1985.

---

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

Tom G. Griffith
Notary Public
678 East 4th Ave. #4
Denver, CO 80202

Form 3106-[redacted]
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

[redacted]PROVED
OMB NO. 1004-0034
Expires: August 31, 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-48191

Lease effective date
December 1, 1974

PART I

1. Assignee's Name

Energetics Operating Company

Address *(include zip code)*
7951 E. Maplewood Avenue, Suite 133
Englewood, Colorado 80111

RECORD IN COUNTY ONLY

The undersigned, as owner of 9.42623 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

218495

RECORDED Oct. 19 1987 11:22 AM
IN BOOK 80 O&G PAGE 66
FEES 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mare Riley

Township 27 North, Range 110 West, 6th P.M.
Section 12: W/2NE/4, NW/4, N/2SW/4, SE/4SW/4, SE/4

Containing 520.00 acres, more or less
Sublette County, Wyoming

From the surface of the Earth down to 100 feet below the stratigraphic equivalent of 14,405 feet as encountered in the Federal 20-8 well located in the SW/4NE/4 of Section 8, Township 27 North, Range 110 West, Sublette County, Wyoming.

Subject to that certain Farmout Agreement dated March 19, 1980, as amended, by and between Energetics, Inc. (now Energetics Operating Company) and Northern Natural Gas Company (now Internorth, Inc.).

THIS ASSIGNMENT is made and shall in all respects be subject to those provisions on the attached Rider.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee (53.3% of 9.42623%) | 5.024181% |
| 4. Specify interest or percent of operating rights being retained by assignor | 4.402049% |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 6.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of October, 1987, but effective June 1, 1987.

ENERGETICS, INC., a Delaware corporation

(Assignor's Signature)
Jordan R. Smith, President

102 Inverness Terrace East
(Assignor's Address)

Englewood, Colorado 80112
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

66
(Title) (Date)

RIDER

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 20, 1985.

---

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

## CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior by the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. secs. 181, et. seq., and delegated to the Bureau of Land Management, I do hereby:

A. Approve the attached agreement for the development and operation of the New-Tech Unit Area, Sublette County, State of Wyoming.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated: September 28, 1987

Mary D. Bauer
Asst. District Manager, Minerals
Bureau of Land Management
Rock Springs District Office
P.O. Box 1869
Rock Springs, Wyoming 82601

Contract Number WY049P56-87U866

218538

RECORDED OCT. 21 19 87 1:25 PM
IN BOOK 80 O&G PAGE 68
FEES $ 458.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: marie Riley

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROCK SPRINGS DISTRICT OFFICE
P.O. BOX 1869
ROCK SPRINGS, WYOMING 82902-1869

TAKE PRIDE IN AMERICA

3183.3-1 (411e)

SEP 29 1987

Gilman A. Hill
c/o John L. Moore & Company
909 17th Street, Suite 414
Denver, Colorado 80202-2701

Dear Mr. Hill:

The New-Tech unit agreement, Sublette County, Wyoming, was approved on September 28, 1987. This agreement has been designated No. WY049P56-87U866. This unit provides for the drilling of eleven (11) obligation wells and subsequent drilling obligations pursuant to Section 9 of the agreement. The obligation wells are considered to be a contractural commitment on the part of the unit operator. No extension of time beyond March 28, 1988, will be granted to commence the first "obligation well" other than "unavoidable delay" (Section 25), when justified. Any extension granted for "unavoidable delay" requires convincing written justification and documentation prior to the critical date.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

Enclosed is one copy of the approved unit agreement for your records. We request that you furnish the State of Wyoming and all other interested principals with appropriate evidence of this approval.

Sincerely,

Mary D. Bauer

Assistant District Manager
Mineral Resources

Enclosure

[redacted] [redacted] [redacted]

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROCK SPRINGS DISTRICT OFFICE
P.O. BOX 1869
ROCK SPRINGS, WYOMING 82902-1869

TAKE PRIDE IN AMERICA

3183.3-1 (411e)

Memorandum

OCT 5 1987

To: State Director (923)

From: Assistant District Manager, Mineral Resources

Subject: New-Tech Unit Agreement, Sublette County, Wyoming

On September 28, 1987, the subject unit agreement was approved. This agreement has been designated No. WY049P56-87U866 and is effective as of the date of approval. A copy of the agreement is attached.

The basic information is as follows:

1. No oil or gas has been discovered in the unit area. The depth of the test well and the area to be unitized were approved under the unit plan regulations of December 22, 1950, by letter of September 21, 1987.

2. All formations are unitized.

3. The unit embraces 180,999.68 acres, more or less, of which 150,367.39 acres (83.08%) are Federal lands, 7,762.19 acres (4.29%) are State lands, and 22,870.10 acres (12.63%) are Patented lands. The following Federal leases embrace lands included within the unit area:

| | | | |
|---|---|---|---|
| W-60121* | W-60570 | W-87031 | W-102774 |
| W-60122 | W-61033 | W-88580 | W-102775 |
| W-60123 | W-61908 | W-90686 | W-102776 |
| W-60124 | W-62118 | W-90696 | W-102895 |
| W-60125 | W-62119 | W-92704 | W-102896 |
| W-60127 | W-62502 | W-92714 | W-102897* |
| W-60128 | W-62509 | W-92715 | W-103504 |
| W-60129 | W-62510 | W-93516 | W-103505 |
| W-60129A | W-64236 | W-93517* | W-103512 |
| W-60130 | W-65295 | W-97288 | W-104213 |
| W-60133 | W-70457 | W-100298 | W-104823* |
| W-60134 | W-72847 | W-100302 | W-104824 |
| W-60136* | W-72848* | W-100303* | W-104834 |
| W-60137 | W-74288 | W-101774 | W-104835* |
| W-60138 | W-74296 | W-101775* | W-104840 |
| W-60139 | W-74905 | W-101776* | W-104841 |
| W-60142* | W-74906 | W-101779 | W-104842 |
| W-60145* | W-83288 | W-101780 | W-106157 |
| W-60564 | W-83879 | W-102772 | W-106160 |
| W-60565 | W-85241 | W-102773 | W-106168 |

* Indicates lease to be considered for segregation by the Bureau of Land Management pursuant to section 18(g) of the unit agreement and Public Law 86-705.

All lands and interests are fully committed except Federal tracts 28, 31, 33, 44, and 45, State tracts 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, and 93, and Patented tracts 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 108, 111, 112, 115, 116, 122, 124, 125, and 126 containing 24,733.79 acres with a total of 13.67 percent which are not committed; and Federal Tract 14, and Patented tracts 107, 109, 110, 113, 114, 117, 118, 119, 120, 121, 123, and 127 containing 8,616.29 acres with a total of 4.76 percent which are partially committed. Also, certain overriding royalty interest owners have not signed the unit agreement. All parties owning interests within this unit were invited to join the unit agreement.

Unleased Federal land, comprising tracts 46, 56, 59, 60, 61, 69, 74, 76, 77, 78, 79, 80, and 81 totaling 43,117.19 acres (23.82), is not committed, but is considered to be controlled acreage because, prior to issuance of leases for that acreage, the lessees may be required to commit to the unit agreement.

Lease applications W-92715, W-101779, W-102773, W-102774, W-102775, W-104213, W-104840, W-104842, W-106157, W-106160, and W-106168, unit tracts 46, 56, 59, 60, 61, 69, 74, 76, 77, 78, and 79, is to be considered effectively committed to the unit, on the date of the lease issuance, since the lessee will be required to join the unit.

In view of the foregoing commitment status, effective control of operations within the unit area is assured. We are of the opinion that the agreement is necessary and advisable in the public interest and for the purpose of more properly conserving natural resources.

Determination as to whether a well completed within the Unit Area prior to the effective date of this agreement is capable of producing unitized substances in paying quantities shall be deferred until an initial participating area is established as the result of the completion of a well for production in paying quantities in accordance with Section 9 hereof.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

A copy of this unit agreement is being sent to Gilman A. Hill, unit operator.

Attachment

Mary D. Bauer

Commissioner of Public Lands
122 West 25th Street
Cheyenne, Wyoming 82002-0600

bcc: Operator w/copy attch.
Pinedale Resource Area w/copy attch.
New-Tech Unit File w/original

MClouse:cw:10-5-87:64F

UNIT AGREEMENT AND PLAN OF UNITIZATION

FOR THE DEVELOPMENT AND OPERATION

OF THE

NEW-TECH UNIT AREA

COUNTY OF SUBLETTE

STATE OF WYOMING

RECEIVED

SEP 25 1987

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

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Exhibit "A" - Map of Unit Area

Exhibit "B" - Schedule of Ownership

# UNIT AGREEMENT

# FOR THE DEVELOPMENT AND OPERATION

# OF THE

# NEW-TECH UNIT AREA

# COUNTY OF SUBLETTE

# STATE OF WYOMING

No. _____

**THIS AGREEMENT,** entered into as of the 24th day of August, 1987, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto,"

**WITNESSETH:**

**WHEREAS,** the parties hereto are the owners of working, royalty, or other oil and gas interests in the unit area subject to this agreement; and

**WHEREAS,** the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sec. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating under a unit plan of development or operations of any oil and gas pool, field, or like area, or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

**WHEREAS,** the parties hereto hold sufficient interests in the New-Tech Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

**WHEREAS,** it is the purpose of the parties hereto to conserve natural resources, prevent waste, and secure other benefits obtainable through development and operation of the area subject to this agreement under the terms, conditions, and limitations herein set forth;

**NOW, THEREFORE,** in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in the below-defined unit area, and agree severally among themselves as follows:

1. **ENABLING ACT AND REGULATIONS.** The Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid pertinent regulations including operating and unit plan regulations, heretofore issued thereunder or valid, pertinent, and reasonable regulations hereafter issued thereunder are accepted and made a part of this agreement as to Federal lands, provided such regulations are not inconsistent with the terms of this agreement; and as to non-Federal lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the non-Federal land is located, are hereby accepted and made a part of this agreement.

2. **UNIT AREA.** The area specified on the map attached hereto marked Exhibit "A" is hereby designated and recognized as constituting the Unit Area, containing 180,999.68 acres, more or less.

Exhibit "A" shows, in addition to the boundary of the Unit Area, the boundaries and identity of tracts and leases in said area to the extent known to the Unit Operator. Exhibit "B" attached hereto is a schedule showing to the extent known to the Unit Operator, the acreage, percentage, and kind of ownership of oil and gas interests in all lands in the Unit Area. However, nothing herein or in Exhibits "A" or "B" shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in the Exhibits as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes in

the Unit Area or in the ownership interests in the individual tracts render such revision necessary, or when requested by the Authorized Officer, hereinafter referred to as "AO" and not less than four copies of the revised Exhibits shall be filed with the proper BLM office. A unit boundary established by a certified surveyor based upon knowledge of an impending government resurvey will be acceptable unless the government resurvey determines the need for resubmission of Exhibits "A" and "B."

The above-described unit area shall when practicable be expanded to include therein any additional lands or shall be contracted to exclude lands whenever such expansion or contraction is deemed to be necessary or advisable to conform with the purposes of this agreement. Such expansion or contraction shall be effected in the following manner:

(a) Unit Operator, on its own motion (after preliminary concurrence by the AO), or on demand of the AO, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, any plans for additional drilling, and the proposed effective date of the expansion or contraction, preferably the first day of a month subsequent to the date of notice.

(b) Said notice shall be delivered to the proper Bureau of Land Management office, and copies thereof mailed to the last known address of each working interest owner, lessee and lessor whose interests are affected, advising that 30 days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the AO evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator, together with an application in triplicate, for approval of such expansion or contraction and with appropriate joinders.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the AO, become effective as of the date prescribed in the notice thereof or such other appropriate date.

(e) All legal subdivisions of lands (i.e., 40 acres by Government survey or its nearest lot or tract equivalent; in instances of irregular surveys, unusually large lots or tracts shall be considered in multiples of 40 acres or the nearest aliquot equivalent thereof), no parts of which are in or entitled to be in a participating area on or before the fifth anniversary of the effective date of the first initial participating area established under this unit agreement, shall be eliminated automatically from this agreement, effective as of said fifth anniversary, and such lands shall no longer be a part of the unit area and shall no longer be subject to this agreement, unless diligent drilling operations are in progress on unitized lands not entitled to participation on said fifth anniversary, in which event all such lands shall remain subject hereto for so long as such drilling operations are continued diligently, with not more than 90-days time elapsing between the completion of one such well and the commencement of the next such well. All legal subdivisions of lands not entitled to be in a participating area within 10 years after the effective date of the first initial participating area approved under this agreement shall be automatically eliminated from this agreement as of said tenth anniversary. The Unit Operator shall, within 90 days after the effective date of any elimination hereunder, describe the area so eliminated to the satisfaction of the AO and promptly notify all parties in interest. All lands reasonably proved productive of unitized substances in paying quantities by diligent drilling operations after the aforesaid 5-year period shall become participating in the same manner as during said first 5-year period. However, when such diligent drilling operations cease, all nonparticipating lands not then entitled to be in a participating area shall be automatically eliminated effective as of the 91st day thereafter.

Any expansion of the unit area pursuant to this section which embraces lands theretofore eliminated pursuant to this subsection 2(e) shall not be considered automatic commitment or recommitment of such lands. If conditions warrant extension of the 10-year period specified in this subsection, a single extension of not to exceed 2 years may be accomplished by consent of the owners of 90 percent of the working interest in the current nonparticipating unitized lands and the owners of 60 percent of the basic royalty interests (exclusive of the basic royalty interests of the United States) in nonparticipating unitized lands with the approval of the AO, provided such extension application is submitted not later than 60 days prior to the expiration of said 10-year period.

**3. UNITIZED LAND AND UNITIZED SUBSTANCES.** All land now or hereafter committed to this agreement shall constitute land referred to herein as "unitized land" or "land subject to this agreement." All oil and gas in any and all formations of the unitized land are unitized under the terms of this agreement and herein are called "unitized substances."

**4. UNIT OPERATOR.** Gilman A. Hill is hereby designated as Unit Operator and by signature hereto as Unit Operator agrees and consents to accept the duties and obligations of Unit Operator for the discovery, development, and production of unitized substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interest in unitized substances, and the term "working interest owner" when use herein shall include or refer to Unit Operator as the owner of a working interest only when such an interest is owned by it.

**5. RESIGNATION OR REMOVAL OF UNIT OPERATOR.** Unit Operator shall have the right to resign at any time prior to the establishment of a participating area or areas hereunder, but such resignation shall not becomes effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of 6 months after notice of intention to resign has been served by Unit Operator on all working interest owners and the AO and until all wells then drilled hereunder are placed in a satisfactory condition for suspension or abandonment, whichever is required by the AO, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

Unit Operator shall have the right to resign in like manner and subject to like limitations as above provided at any time after a participating area established hereunder is in existence, but in all instances of resignation or removal, until a successor Unit Operator is selected and approved as hereinafter provided, the working interest owners shall be jointly responsible for performance of the duties of Unit Operator, and shall not later than 30 days before such resignation or removal becomes effective appoint a common agent to represent them in any action to be taken hereunder.

The resignation of Unit Operator shall not release Unit Operator from any liability for any default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interests as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the AO.

The resignation or removal of Unit Operator under this agreement shall not terminate its right, title, or interest as the owner of working interest or other interest in unitized substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all wells, equipment, materials, and appurtenances used in conducting the unit operations to the new duly qualified successor Unit Operator or to the common agent, if no such new Unit Operator is selected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment, or appurtenances needed for the preservation of any wells.

**6. SUCCESSOR UNIT OPERATOR.** Whenever the Unit Operator shall tender his or its resignation as Unit Operator or shall be removed as hereinabove provided or a change of Unit Operator is negotiated by the working interest owners, the owners of the working interests according to their respective acreage interests in all unitized land shall, pursuant to the Approval of the Parties requirements of the unit operating agreement, select a successor Unit Operator. Such selection shall not become effective until:

(a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and

(b) the selection shall have been approved by the AO.

If no successor Unit Operator is selected and qualified as herein provided, the AO at his election may declare this unit agreement terminated.

**7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT.** If the Unit Operator is not the sole owner of working interests, costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid and apportioned among and borne by the owners of working interests, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the owners of working interests, whether one or more, separately or collectively. Any agreement or agreements entered into between the working interest owners and the working interest owners and the Unit Operator as provided in this section, whether one or more, are herein referred to as the "unit operating agreement." Such unit operating agreement shall also provide the manner in which the working interest owners shall be entitled to received their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts, and such other rights and obligations as between Unit Operator and the working interest owners as may be agreed upon by Unit Operator and the working interest owners; however, no such unit operating agreement shall be deemed either to modify any of the terms and conditions of this unit agreement or to relieve the Unit Operator of any right or obligation established under this unit agreement, and in case of any inconsistency or conflict between this agreement and the unit operating agreement, this agreement shall govern. Two copies of any unit operating agreement executed pursuant to this section shall be filed in the proper Bureau of Land Management office prior to approval of this unit agreement.

**8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR.** Except as otherwise specifically provided herein, the exclusive right, privilege, and duty of exercising any and all rights of the parties hereto which are necessary or convenient for prospecting for, producing, storing, allocating, and distributing the unitized substances are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with Unit Operator and, together with this agreement, shall constitute and define the rights, privileges, and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

**9. DRILLING TO DISCOVERY.** Within 6 months after the effective date hereof, the Unit Operator shall commence to drill an adequate test well at a location approved by the AO, unless on such effective date a well is being drilled in conformity with the terms hereof, and thereafter continue such drilling diligently until one thousand (1,000) feet below the top of the Lance formation has been tested or until at a lesser depth unitized substances shall be discovered which can be produced in paying quantities (to wit: quantities sufficient to repay the costs of drilling, completing, and producing operations, with a reasonable profit) or the Unit Operator shall at any time establish to the satisfaction of the AO that further drilling of said well would be unwarranted or impracticable, provided, however, that Unit Operator shall not in any event be required to drill said well to a depth in excess of 9,500 feet. Until the discovery of unitized substances capable of being produced in paying quantities, the Unit Operator shall continue drilling one well at a time, allowing not more than 6 months between the completion of one well and the commencement of drilling operations for the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of the AO or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formations drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in Section 5, hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section.

The AO may modify any of the drilling requirements of this section by granting reasonable extensions of time when, in his opinion, such action is warranted.

Notwithstanding anything in this unit agreement to the contrary, except Section 25, UNAVOIDABLE DELAY, 11 wells shall be drilled with not more than 6-months time elapsing between the completion of the first well and commencement of drilling operations for the second well and with not more than 6-months time elapsing between completion of the second well and the commencement of drilling operations for the third well, and so on until 11 obligation wells have been drilled, ... regardless of whether a discovery has been made in any well drilled under this provision. All 11 obligation wells will be drilled in compliance with the above specified formation or depth requirements in order to meet the dictates of this section.

One of the 11 obligation wells will be drilled in each of the following townships: T.33N., R.111W.; T.33N., R.110W.; T.32N., R.110W.; T.32N., R.111W.; T.31N, R.110W.; T.31N., R.111W.; T.30N., R.109W.; T.30N., R.110W.; T.30N., R.111W. The four remaining obligation wells will be drilled to further explore the unit and will be located a minimum of one mile from other obligation wells.

Nevertheless, if there is discovery of unitized substances in paying quantities by any well, the unit agreement shall not terminate for failure to complete the 11 well program, but the unit area shall be contracted automatically, effective the first day of the month following the default, to eliminate by subdivisions (as defined in Section 2(e) hereof) all lands not then entitled to participation.

Upon failure to commence any well as provided for in this (these) section(s) within the time allowed, prior to the establishment of a participating area, including any extension of time granted by the AO, this agreement will automatically terminate. Upon failure to continued drilling diligently any well commenced hereunder, the AO may, after 15-days notice to the Unit Operator, declare this unit agreement terminated. The parties to this agreement may not initiate a request to voluntarily terminate this agreement during the first 6 months of its term unless at least one obligation well has been drilled in accordance with the provisions of this section.

**10. PLAN OF FURTHER DEVELOPMENT AND OPERATION.** Within 6 months after completion of a well capable of producing unitized substances in paying quantities, the Unit Operator shall submit for the approval of the AO an acceptable plan of development and operation for the unitized land which, when approved by the AO, shall constitute the further drilling and development obligations of the Unit Operator under this agreement for the period specified therein. Thereafter, from time to time before the expiration of any existing plan, the Unit Operator shall submit for the approval of the AO a plan for an additional specified period for the development and operation of the unitized land. Subsequent plans should normally be filed on a calendar year basis not later than March 1 each year. Any proposed modification or addition to the existing plan should be filed as a supplement to the plan.

Any plan submitted pursuant to this section shall provide for the timely exploration of the unitized area, and for the diligent drilling necessary for determination of the area or areas capable of producing unitized substances in paying quantities in each and every productive formation. This plan shall be as complete and adequate as the AO may determine to be necessary for timely development and proper conservation of the oil and gas resources in the unitized area and shall:

(a) Specify the number and locations of any wells to be drilled and the proposed order and time for such drilling; and

(b) Provide a summary of operations and production for the previous year.

Plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of development and operation. The AO is authorized to grant a reasonable extension of the 6-month period herein prescribed for submission of an initial plan of development and operation where such action is justified because of unusual conditions or circumstances.

After completion of a well capable of producing unitized substances in paying quantities, no further wells, except such as may be necessary to afford protection against operations not under this agreement and such as may be specifically approved by the AO, shall be drilled except in accordance with an approved plan of development and operation.

**11. PARTICIPATION AFTER DISCOVERY.** Upon completion of a well capable of producing unitized substances in paying quantities, or as soon thereafter as required by the AO, the Unit Operator shall submit for approval by the AO, a schedule, based on subdivisions of the public-land survey or aliquot parts thereof, of all land then regarded as reasonably proved to be productive of unitized substances in paying quantities. These lands shall constitute a participating area on approval of the AO, effective as of the date of completion of such well or the effective date of this unit agreement, whichever is later. The acreages of both Federal and non-Federal lands shall be based upon appropriate computations from the courses and distances shown on the last approved public-land survey as of the effective date of each initial participating area.

The schedule shall also set forth the percentage of unitized substances to be allocated, as provided in Section 12, to each committed tract in the participating area so established, and shall govern the allocation of production commencing with the effective date of the participating area. A different participating area shall be established for each separate pool or deposit of unitized substances or for any group thereof which is produced as a single pool or zone, and any two or more participating areas so established may be combined into one, on approval of the AO. When production from two or more participating areas is subsequently found to be from a common pool or deposit, the participating areas shall be combined into one, effective as of such appropriate date as may be approved or prescribed by the AO. The participating areas or areas so established shall be revised from time to time, subject to the approval of the AO, to include additional lands then regarded as reasonably proved to be productive of unitized substances in paying quantities or which are necessary for unit operations, or to exclude lands then regarded as reasonably proved not to be productive of unitized substances in paying quantities, and the schedule of allocation percentages shall be revised accordingly. The effective date of any revision shall be the first of the month in which the knowledge or information is obtained on which such revision is predicated; provided, however, that a more appropriate effective date may be used if justified by Unit Operator and approved by the AO. No land shall be excluded from a participating area on account of depletion of its unitized substances, except that any participating area established under the provisions of this unit agreement shall terminate automatically whenever all completions in the formation on which the participating area is based are abandoned.

It is the intent of this section that a participating area shall represent the area the area known or reasonably proved to be productive of unitized substances in paying quantities or which are necessary for unit operations; but, regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the AO as to the proper definition or redefinition of a participating area, or until a participating area has, or areas have, been established, the portion of all payments affected thereby shall, except royalty due the United States, be impounded in a manner mutually acceptable to the owners of committed working interests. Royalties due the United States shall be determined by the AO and the amount thereof shall be deposited, as directed by the AO, until a participating area is finally approved and then adjusted in accordance with a determination of the sum due as Federal royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the AO, that a well drilled under this agreement is not capable of production of unitized substances in paying quantities and inclusion in a participating area of the land on which it is situated is unwarranted, production from such well shall, for the purposes of settlement among all parties other than working interest owners, be allocated to the land on which the well is located, unless such land is already within the participating area established for the pool or deposit from which such production is obtained. Settlement for working interest benefits from such a nonpaying unit well shall be made as provided in the unit operating agreement.

**12. ALLOCATION OF PRODUCTION.** All unitized substances produced from each participating area established under this agreement, except any part thereof used in conformity with good operating practices within the unitized area for drilling, operating, and other production or development purposes, for repressuring or recycling in accordance with a plan of development and operations which has been approved by the AO, or unavoidably lost, shall be deemed to be produced equally on an acreage basis from the several tracts of unitized land of the participating area established for such production. For the purpose of determining any benefits accruing under this agreement, each such tract of unitized land shall have allocated to it such percentage of said production as the number of acres of such tract included in said participating area bears to the total acres of unitized land in said participating area, except that allocation of production hereunder for purposes other than for settlement of the royalty, overriding royalty, or payment out of production obligations of the respective working interest owners, shall be on the basis prescribed in the unit operating agreement whether in conformity with the basis of allocation herein set forth or otherwise. It is hereby agreed that production of unitized substances from a participating area shall be allocated as provided herein regardless of whether any wells are drilled on any particular

part or tract of the participating area. If any gas produced from one participating area is used for repressuring or recycling purposes in another participating area, the first gas withdrawn from the latter participating area for sale during the life of this agreement, shall be considered to be the gas so transferred, until an amount equal to that transferred shall be so produced for sale and such gas shall be allocated to the participating area from which initially produced as such area was defined at the time that such transferred gas was finally produced and sold.

13. **DEVELOPMENT OR OPERATION OF NONPARTICIPATING LAND OR FORMATIONS.** Any party hereto owning or controlling the working interest in any unitized land having thereon a regular well location may with the approval of the AO, at such party's sole risk, costs, and expense, drill a well to test any formation provided the well is outside any participating area established for that formation, unless within 90 days of receipt of notice from said party of his intention to drill the well, the Unit Operator elects and commences to drill the well in a like manner as other wells are drilled by the Unit Operator under this agreement.

If any well drilled under this section by a working interest owner results in production of unitized substances in paying quantities such that the land upon which it is situated may properly be included in a participating area, such participating area shall be established or enlarged as provided in this agreement and the well shall thereafter be operated by the Unit Operator in accordance with the terms of this agreement and the unit operating agreement.

If any well drilled under this section by a working interest owner obtains production in quantities insufficient to justify the inclusion of the land upon which such well is situated in a participating area, such well may be operated and produced by the party drilling the same, subject to the conservation requirements of this agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. **ROYALTY SETTLEMENT.** The United States and any State and any royalty owner who is entitled to take in kind a share of the substances now unitized hereunder shall hereafter be entitled to the right to take in kind its share of the unitized substances, and Unit Operator, or the working interest owner in case of the operation of a well by a working interest owner as herein provided for in special cases, shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws, and regulations. Settlement for royalty interest not taken in kind shall be made by working interest owners responsible therefor under existing contracts, laws and regulations, or by the Unit Operator on or before the last day of each month for unitized substances produced during the preceding calendar month; provided, however, that nothing in this section shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any royalties due under their leases.

If gas obtained from lands not subject to this agreement is introduced into any participating area hereunder, for use in repressuring, stimulation of production, or increasing ultimate recovery, in conformity with a plan of development and operation approved by the AO, a like amount of gas, after settlement as herein provided for any gas transferred from any other participating area and with appropriate deduction for loss from any cause, may be withdrawn from the formation into which the gas is introduced, royalty free as to dry gas, but not as to any products which may be extracted therefrom; provided that such withdrawal shall be at such time as may be provided in the approved plan of development and operation or as may otherwise be consented to by the AO as conforming to good petroleum engineering practice; and provided further, that such right of withdrawal shall terminate on the termination of this unit agreement.

Royalty due the United States shall be computed as provided in 30 CFR Group 200 and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized Federal land as provided in Section 12 at the rates specified in the respective Federal leases, or at such other rate or rates as may be authorized by law or regulation and approved by the AO; provided, that for leases on which the royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though each participating area were a single consolidated lease.

15. **RENTAL SETTLEMENT.** Rental or minimum royalties due on leases committed hereto shall be paid by appropriate working interest owners under existing contracts,

laws, and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty due under their leases. Rental or minimum royalty for lands of the United States subject to this agreement shall be paid at the rate specified in the respective leases from the United States unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary or his duly authorized representative.

With respect to any lease on non-Federal land containing provisions which would terminate such lease unless drilling operations are commenced upon the land covered thereby within the time therein specified or rentals are paid for the privilege of deferring such drilling operations, the rentals required thereby shall, notwithstanding any other provision of this agreement, be deemed to accrue and become payable during the term thereof as extended by this agreement and until the required drilling operations are commenced upon the land covered thereby, or until some portion of such land is included within a participating area.

**16. CONSERVATION.** Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to State or Federal law or regulation.

**17. DRAINAGE.** The Unit Operator shall take such measures as the AO deems appropriate and adequate to prevent drainage of unitized substances from unitized land by wells on land not subject to this agreement, which shall include the drilling of protective wells and which may include the payment of a fair and reasonable compensatory royalty, as determined by the AO.

**18. LEASES AND CONTRACTS CONFORMED AND EXTENDED.** The terms, conditions, and provisions of all leases, subleases, and other contracts relating to exploration, drilling, development or operation for oil or gas on lands committed to this agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect; and the parties hereto hereby consent that the Secretary shall and by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change, or revoke the drilling, producing rental minimum royalty, and royalty requirements of Federal leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this agreement, and, without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

(a) The development and operation of lands subject to this agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every separately owned tract subject to this agreement, regardless of whether there is any development of any particular tract of this unit area.

(b) Drilling and producing operations performed hereunder upon any tract of unitized lands will be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

(c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent of the AO shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of unitized land. A suspension of drilling or producing operations limited to specified lands shall be applicable only to such lands.

(d) Each lease, sublease, or contract relating to the exploration, drilling, development, or operation for oil or gas of lands other than those of the United States committed to this agreement which, by its terms might expire prior to the termination of this agreement, is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of this agreement.

(e) Any Federal lease committed hereto shall continue in force beyond the term so provided therein or by law as to the land committed so long as such lease remains subject hereto, provided that production of unitized substances in paying quantities is established under this unit agreement prior to the expiration date of the term of such

lease, or in the event actual drilling operations are commenced on unitized land, in accordance with provisions of this agreement, prior to the end of the primary term of such lease and are being diligently prosecuted at that time, such lease shall be extended for 2 years, and so long thereafter as oil or gas is produced in paying quantities in accordance with the provisions of the Mineral Leasing Act, as amended.

(f) Each sublease or contract relating to the operation and development of unitized substances from lands of the United States committed to this agreement, which by its terms would expire prior to the time at which the underlying lease, as extended by the immediately preceding paragraph, will expire is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of the underlying lease as such term is herein extended.

(g) The segregation of any Federal lease committed to this agreement is governed by the following provision in the fourth paragraph of Sec. 17(j) of the Mineral Leasing Act, as amended by the Act of September 2, 1960 (74 Stat. 781-784) (30 U.S.C. 226(j)):

> Any (Federal) lease heretofore or hereafter committed to any such (unit) plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: Provided, however, that any such lease as to the nonunitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities.

(h) Any lease, other than a Federal lease, having only a portion of its lands committed hereto shall be segregated as to the portion committed and the portion not committed, and the provisions of such lease shall apply separately to such segregated portions commencing as of the effective date hereof. In the event any such lease provides for a lump-sum rental payment, such payment shall be prorated between the portions so segregated in proportion to the acreage of the respective tracts.

**19. COVENANTS RUN WITH LAND.** The covenants herein shall be construed to be covenants running with the land with respect to the interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any working interest, royalty, or other interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, photostatic, or certified copy of the instrument of transfer.

**20. EFFECTIVE DATE AND TERM.** This agreement shall become effective upon approval by the AO and shall automatically terminate 5 years from said effective date unless:

(a) upon application by the Unit Operator such date of expiration is extended by the AO, or

(b) it is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substances in paying quantities in the formations tested hereunder, and after notice of intention to terminate this agreement on such ground is given by the Unit Operator to all parties in interest at their last known addresses, this agreement is terminated with the approval of the AO, or

(c) a valuable discovery of unitized substances in paying quantities has been made or accepted on unitized land during said initial term or any extension thereof, in which event this agreement shall remain in effect for such term and so long thereafter as unitized substances can be produced in quantities sufficient to pay for the cost of producing same from wells on unitized land within any participating area established hereunder. Should production cease and diligent drilling or reworking operations to restore production or new production are not in progress within 60 days and production is not restored or should new production not be obtained in paying quantities on committed lands within this unit area, this agreement will automatically terminate effective the last day of the month in which the last unitized production occurred, or

(d) it is voluntarily terminated as provided in this agreement. Except as noted herein, this agreement may be terminated at any time prior to the discovery of unitized substances which can be produced in paying quantities by not less than 75 per centum, on an acreage basis, of the working interest owners signatory hereto, with the approval of the AO. The Unit Operator shall give notice of any such approval to all parties hereto. Voluntary termination may not occur during the first 6 months of this agreement unless at least one obligation well shall have been drilled in conformance with Section 9.

**21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION.** The AO is hereby vested with authority to alter or modify from time to time, in his discretion, the quantity and rate of production under this agreement when such quantity and rate are not fixed pursuant to Federal or State law, or do not conform to any Statewide voluntary conservation or allocation program which is established, recognized, and generally adhered to by the majority of operators in such State. The above authority is hereby limited to alteration or modifications which are in the public interest. The public interest to be served and the purpose thereof, must be stated in the order of alteration or modification. Without regard to the foregoing, the AO is also hereby vested with authority to alter or modify from time to time, in his discretion, the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is not in violation of any applicable Federal or State law.

Powers in the section vested in the AO shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

**22. APPEARANCES.** The Unit Operator shall, after notice to other parties affected, have the right to appear for and on behalf of any and all interests affected hereby before the Department of the Interior and to appeal from orders issued under the regulations of said Department, or to apply for relief from any of said regulations, or in any proceedings relative to operations before the Department, or any other legally constituted authority; provided, however, that any other interested party shall also have the right at its own expense to be heard in any such proceeding.

**23. NOTICES.** All notices, demands, or statements required hereunder to be given or rendered to the parties hereto shall be in writing and shall be personally delivered to the party or parties, or sent by postpaid registered or certified mail, to the last-known address of the party or parties.

**24. NO WAIVER OF CERTAIN RIGHTS.** Nothing contained in this agreement shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the State where the unitized lands are located, or of the United States, or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

**25. UNAVOIDABLE DELAY.** All obligations under this agreement requiring the Unit Operator to commence or continue drilling, or to operate on, or produce unitized substances from any of the lands covered by this agreement, shall be suspended while the Unit Operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State, or municipal law or agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials or equipment in the open market, or other matters beyond the reasonable control of the Unit Operator, whether similar to matters herein enumerated or not.

**26. NONDISCRIMINATION.** In connection with the performance of work under this agreement, the Unit Operator agrees to comply with all the provisions of section 202 (1) to (7) inclusive, of Executive Order 11246 (30 FR 12319), as amended, which are hereby incorporated by reference in this agreement.

**27. LOSS OF TITLE.** In the event title to any tract of unitized land shall fail and the true owner cannot be induced to join in this unit agreement, such tract shall be automatically regarded as not committed hereto, and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to title to any royalty, working interest, or other interests

subject thereto, payment or delivery on account thereof may be withheld without liability for interest until the dispute is finally settled; provided, that, as to Federal lands or leases, no payments of funds due the United States shall be withheld, but such funds shall be deposited as directed by the AO, to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

**28. NONJOINDER AND SUBSEQUENT JOINDER.** If the owner of any substantial interest in a tract within the unit area fails or refuses to subscribe or consent to this agreement, the owner of the working interest in that tract may withdraw the tract from this agreement by written notice delivered to the proper Bureau of Land Management office and the Unit Operator prior to the approval of this agreement by the AO. Any oil or gas interests in lands within the unit area not committed hereto prior to final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this agreement, and, if the interest is a working interest, by the owner of such interest also subscribing to the unit operating agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approval(s), if any, pertaining to such joinder, as may be provided for in the unit operating agreement. After final approval hereof, joinder by a nonworking interest owner must be consented to in writing by the working interest owner committed hereto and responsible for the payment of any benefits that may accrue hereunder in behalf of such nonworking interest. A nonworking interest may not be committed to this unit agreement unless the corresponding working interest is committed hereto. Joinder to the unit agreement by a working interest owner, at any time, must be accompanied by appropriate joinder to the unit operating agreement, in order for the interest to be regarded as committed to this agreement. Except as may otherwise herein be provided, subsequent joinders to this agreement shall be effective as of the date of the filing with the AO of duly executed counterparts of all or any papers necessary to establish effective commitment of any interest and/or tract to this agreement.

**29. COUNTERPARTS.** This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by all parties, or may be ratified or consented to by separate instrument in writing specifically referring hereto and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above-described unit area.

**30. SURRENDER.** Nothing in this agreement shall prohibit the exercise by any working interest owner of the right to surrender vested in such party by any lease, sublease, or operating agreement as to all or any part of the lands covered thereby, provided that each party who will or might acquire such working interest by such surrender or by forfeiture as hereafter set forth, is bound by the terms of this agreement.

If as a result of any such surrender, the working interest rights as to such lands become vested in any party other than the fee owner of the unitized substances, said party may forfeit such rights and further benefits from operations hereunder as to said land to the party next in the chain of title who shall be and become the owner of such working interest.

If as the result of any such surrender or forfeiture working interest rights become vested in the fee owner of the unitized substances, such owner may:

(a) accept those working interest rights subject to this agreement and the unit operating agreement; or

(b) lease the portion of such land as is included in a participating area established hereunder subject to this agreement and the unit operating agreement; or

(c) provide for the independent operation of any part of such land that is not then included within a participating area established hereunder.

If the fee owner of the unitized substances does not accept the working interest rights subject to this agreement and the unit operating agreement or lease such lands as above provided within 6 months after the surrendered or forfeited, working interest rights become vested in the fee owner; the benefits and obligations of operations accruing to such lands under this agreement and the unit operating agreement shall be shared by the remaining owners of unitized working interests in accordance with their respective working interest ownerships, and such owners of working interests shall compensate the fee owner of unitized substances in such lands by paying sums equal to the rentals, minimum royalties, and royalties applicable to such lands under the lease in effect when the lands were unitized.

An appropriate accounting and settlement shall be made for all benefits accruing to or payments and expenditures made or incurred on behalf of such surrendered or forfeited working interests subsequent to the date of surrender or forfeiture, and payment of any moneys found to be owning by such an accounting shall be made as between the parties within 30 days.

The exercise of any right vested in a working interest owner to reassign such working interest to the party from whom obtained shall be subject to the same conditions as set forth in this section in regard to the exercise of a right to surrender.

**31. TAXES.** The working interest owners shall render and pay for their account and the account of the royalty owners all valid taxes on or measured by the unitized substances in and under or that may be produced, gathered and sold from the land covered by this agreement after its effective date, or upon the proceeds derived therefrom. The working interest owners on each tract shall and may charge the proper proportion of said taxes to royalty owners having interests in said tract, and may currently retain and deduct a sufficient amount of the unitized substances or derivative products, or net proceeds thereof, from the allocated share of each royalty owner to secure reimbursement for the taxes so paid. No such taxes shall be charged to the United States or the State of Wyoming or to any lessor who has a contract with his lessee which requires the lessee to pay such taxes.

**32. NO PARTNERSHIP.** It is expressly agreed that the relation of the parties hereto is that of independent contractors and nothing contained in this agreement, expressed or implied, nor any operations conducted hereunder, shall create or be deemed to have created a partnership or association between the parties hereto or any of them.

**33. STATE LAND PROVISIONS.** Certain of the unitized land is public land of the State of Wyoming, and in connection with the approval of this agreement by the Board of Land Commissioners of said State pursuant to Title 36, Section 36-74, Wyoming Statutes, 1957, it is agreed that there shall be filed with the Commissioner of Public Lands of said State:

(a) Two copies of the complete unit agreement and two copies of any revised Exhibits "A" and "B" concurrently with the filing thereof with the AO, pursuant to Section 2 hereof.

(b) Two copies of any notice of the proposed expansion or contraction of the unit area required to be delivered to the AO pursuant to Section 2(b) hereof.

(c) Two copies of any unit operating agreement executed pursuant to Section 7 hereof.

(d) Two copies of any schedule of proposed participating area submitted for approval under Section 11, concurrently with its submission to the AO. The Commissioner or his authorized representative shall have a period of fifteen days from receipt of said schedule within which to file with the AO any objection thereto, together with any recommendation for revision thereof. If such objection or recommendation is not concurred in by Unit Operator and the AO prior to submission of the schedule to the AO for final approval, the AO shall approve or disapprove the schedule after giving due consideration to the objections and recommendations filed by the Commissioner or his representative.

(e) Two copies of any proposed plan of development or modification thereof, which if filed with the AO under Section 10 hereof.

(f) Two copies of all instruments of subsequent joinder executed under Section 28 hereof.

It is further agreed that:

(1) All valid, pertinent and reasonable regulations hereafter issued governing drilling and producing operations on non-Federal lands which are not inconsistent with the terms hereof or with the laws of the State of Wyoming are hereby accepted and made a part of this agreement.

(2) Nothing in this agreement contained shall relieve lessees of the public lands of the State of Wyoming from their obligations to pay rentals and royalties with respect to unitized substances allocated to such lands thereunder, at the rate specified in their respective leases.

(3) In the event that a title dispute arises as to State lands or leases, no payment of funds due the State of Wyoming shall be withheld, but such funds shall be deposited as directed by the Commissioner of Public Lands to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

Each party to this agreement, holding any lease or leases of public lands from the State of Wyoming subject to this agreement, or holding any interest in or under such lease or leases or in the production from the lands covered thereby, agrees that said Board of Land Commissioners may, and by its approval thereof, does hereby alter, change, modify or revoke the drilling, producing and royalty requirements of such lease or leases, and the regulations in respect thereto, to conform the provisions of said lease or leases to the provisions of this agreement. Such parties and said Board further agree that, except as otherwise expressly provided in this agreement, no such lease shall be deemed to terminate or expire so long as it shall remain committed hereto. Notwithstanding anything to the contrary in Section 18 hereof contained should any of the public lands of the State of Wyoming outside of a participating area established hereunder cease to be committed to this agreement, such lands shall thereafter be free from the effect of this agreement unless and until such lands are expressly recommitted to this agreement pursuant to Section 28 hereof, with the approval of the Board of Land Commissioners.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed and have set opposite their respective names the date of execution.

UNIT OPERATOR AND WORKING INTEREST OWNER

By Gilman A. Hill
Gilman A. Hill

Date of Execution:

Aug. 19, 1987

Address:

Suite 3100
7955 East Arapahoe Court
Englewood, CO 80112

STATE OF Colorado )
) ss.
COUNTY OF Arapahoe )

The foregoing instrument was acknowledged before me by Gilman A. Hill.

This 19th day of August, 1987.

WITNESS my hand and official seal.

My commission expires:

5-1-88

Notary Public

EXHIBIT "A"

# NEW - TECH UNIT AREA

## SUBLETTE COUNTY, WYOMING


GILMAN A. HILL

ENGLEWOOD, COLORADO



RECEIVED

SEP 25 1987

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING


1 1/2 0 1

SCALE IN MILES

NOTE : UNLESS OTHERWISE INDICATED THE VARIOUS SECTIONS ON THIS MAP CONTAIN 640.00 ACRES

# SMALL TRACT IDENTIFICATION

T 33 N

## T 30 N - R 110 W

(6) SECTION 15: LOTS 2 and 3
SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
W-60128

(21) SECTION 14: LOT 1
HPC, INC.
10-31-87
W-61033

(22) SECTION 14: LOTS 4,5 and NW/4 NW/4
SHAMA-KAFAR LIMITED PARTNERSHIP
11-30-87 W-61908

(30) SECTION 28: LOT 5
WALTER M. MACK, TRUSTEE
7-31-90 W-70457

(29) SECTION 10: LOT 3; SECTION 12: LOTS 6,7,8, SE/4 SE/4; SECTION 15: LOT 9, bed of river riparian to Lot 9; SECTION 22: LOT 1, bed of river riparian to Lot 1; SECTION 29: LOT 7; SECTION 30: LOT 7.
DOROTHY J. SCRIBNER 11-30-88 W-65295

(38) Bed of the Green River riparian to SECTION 3: LOTS 4,5, 6,7,10; SECTION 9: LOTS 2,3,5; SECTION 10: LOTS 3,6; SECTION 15: LOTS 1,2,3.
WALTER T. KEES 3-31-93 W-83879

(50) SECTION 9: LOT 5; SEC. 12: LOT 5
SHAMA-KAFAR LIMITED PARTNERSHIP
7-31-96 W-100298

(79) SECTION 10: NE/4 NE/4
GILMAN A. HILL
(NOT YET ISSUED)
W-106168

(127) SECTION 10: Portion E/2 E/2
GAS & OIL MANAGEMENT, INC.
8-22-91 FEE

(122) Portions of SECTIONS 20 and 21 (1.66 acres)
UNLEASED FEE

## T 31 N - R 109 W

(115) SECTION 32: LOT 7; SECTION 33: LOT 6
UNLEASED FEE

## T 31 N - R 110 W

(29) SECTION 34: LOT 8, bed of river riparian to Lot 8.
DOROTHY J. SCRIBNER
11-30-88 W-65295

(81) SECTION 27: LOT 4
UNLEASED FEDERAL

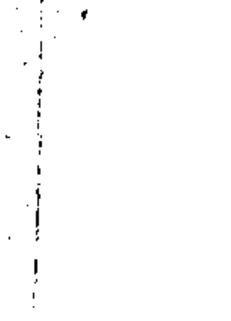
(38) SECTION 21: Bed of river riparian to LOTS 3,4,5,6,8; SECTION 27: Bed of river riparian to LOT 4
WALTER T. KEES 3-31-93 W-83879

## T 31 N R 111 W

(80) SECTION 3: NE/4 SE/4; SECTION 12: NW/4 NE/4 (NOT OPEN FOR LEASE) - UNLEASED FEDERAL.

(93) SECTION 11: NE/4 NW/4
UNLEASED STATE.

## R 109 W



T 32 N

08

13 (59) W-102773

18 (59.79) (48) W-93517

24 (60) UNLEASED FEDERAL W-102774

19 (59.74) (48) W-93517

20 (48) W-93517

21 (93) UNLEASED STATE

(101) UNLEASED FEE

22 (12) W-60136

23 (12) W-60136

(102) UNLEASED FEDERAL

25 (60) UNLEASED FEE W-102774

30 (60.21) (54) W-101775

29 (13) W-60137

28 (93) UNLEASED STATE

27 (13) W-60137

26 (12) W-60136

SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87

SHORELINE PETROLEUM COMPANY, L.P. 7-31-95

R K O'CONNELL 9-30-96

36 (89) 96-108

31 (60.49) (81) UNLEASED FEDERAL

32 (93) UNLEASED FEDERAL

33 (101) UNLEASED FEE

34 (13) W-60137

35 (14) W-60138

ESTATE OF KAREN B. TEMPLE 9-30-87

(103) UNLEASED FEE

(94) UNLEASED FEE

(638.86) (53) W-101774

6 (602.46) (49) 12-31-95

5 (636.80) (104) UNLEASED FEE

4 (636.59) (47) W-93516

3 (636.72) UNLEASED FEDERAL

2 (638.56) UNLEASED FEDERAL

1 (639.92) UNLEASED FEDERAL

(80) W-102774

CHEVRON U.S.A. INC. 4-16-90

12

(49) 12-31-95

(53) (604.40)

(83) 88.289

9 W-93516

10 UNLEASED FEDERAL

11 UNLEASED FEDERAL

(105) FEE

(107) FEE

(108) FEE

(109) FEE

(110) FEE

(81) UNLEASED FEDERAL

(603.21)

(603.04)

(603.32)

(605.59)

(639.59)

(610.83)

(639.75)

(635.52)

(630.99)

(615.32)

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(688.52)

(676.9)

(681.09)

(676.5)

(688.56)

(654.

(618.50)

(603.41)

(603.30)

(603.27)

(603.24)

(603.21)

(603.18)

(603.15)

(603.12)

(603.09)

(603.06)

(603.03)

(603.00)

(602.97)

(602.94)

(602.91)

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(602.85)

(602.82)

(602.79)

(602.76)

(602.73)

(602.70)

(602.67)

(602.64)

(602.61)

(602.58)

(602.55)

(602.52)

(602.49)

(602.46)

(602.43)

(602.40)

(602.37)

(602.34)

(602.31)

(602.28)

(602.25)

(602.22)

(602.19)

(602.16)

(602.13)

T 32 N

T 31 N

R 112 W

R 111 W

R 110 W

T 33 N

T 32 N

SECTION 12: [illegible]
WALTER T. KEES 3-31-93

(50) SECTION 9: Lot 5; SEC. 12: LOT 5
SHAMA-KAFAR LIMITED PARTNERSHIP
7-31-96 W-100298

(127) SECTION 10: Portion E/2 E/2
GAS & OIL MANAGEMENT, INC.
8-22-91 FEE

(79) SECTION [illegible]
GILMAN A. HILL
(NOT YET ISSUED)
W-106168

(122) Portions of SECTIONS 20 and 21 (1.66 acres)
UNLEASED FEE

## T 31 N - R 109 W

(115) SECTION 32: LOT 7; SECTION 33: LOT 6
UNLEASED FEE

## T 31 N - R 110 W

(29) SECTION 34: LOT 8, bed of river riporion to Lot 8.
DOROTHY J. SCRIBNER
11-30-88 W-65295

(81) SECTION 27: LOT 4
UNLEASED FEDERAL

(38) SECTION 21: Bed of river riporian to LOTS 3,4,5,6,8; SECTION 27: [illegible] riporian to LOT 4
WALTER T. KEES 3-31-93 W-83879

## T 31 N R 111 W

(80) SECTION 3: NE/4 SE/4; SECTION 2: NW/4 NE/4 (NOT OPEN FO[illegible]
UNLEASED FE

(93) SECTION 11: NE/4 NW/4
UNLEASED STATE.

## R 109 W

T 32 N

T 31 N

SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
22 (12) W-60136
23 (12) W-60136
SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
27 (13) W-60137
26 (12) W-60136
SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
34 (13) W-60137
ESTATE OF KAREN B. TEMPLE 9-30-87
35 (14) W-60138
(101)
UNLEASED FEDERAL
3 (81) (636.72)
2 (81) (638.56)
1 (81) (639.32)
10 (81)
11 (81)
12 (81)
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
10 W-60133
SHAMA-KAFAR LIMITED PARTNERSHIP 4-30-88
UNLEASED FEDERAL (81) (688.52)
W-74906 (36)
4-30-88 (36) (681.09)
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
14 (10) W-60133
13 (10) W-60133
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
23 (10) W-60133
24 (5) W-60125
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
19 (5) (675.99) W-60125
SHAMA-KAFAR LIMITED PARTNERSHIP 4-30-88
20 (36) W-74906
SHAMA-KAFAR LIMITED PARTNERSHIP 3-31-97
15 (66) W-103504
DANIEL WOLF 7-31-95 (47) W-93516
DANIEL WOLF 7-31-95 (47)
22
DANIEL WOLF 7-31-95 (81) (47) (109) (38) W-93516
SHAMA-KAFAR LIMITED PARTNERSHIP 3-31-97
26 (66) W-103504
25 (5) W-60125
BERNARD I. GROSSER 10-31-94
-30 (41) (674.52) (5) W-60125
-31 (41) (674.36) W-88580
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
29 (5) W-60125
SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
32 (4) W-60124
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
-33 (81) W-60124
SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
4 (4) (634.64) W-60124
SHAMA-KAFAR LIMITED PARTNERSHIP 3-31-97
35 (66) W-103504
36 (93) UNLEASED STATE
SHAMA-KAFAR LIMITED PARTNERSHIP 12-31-87
6 (654.73) (91)
SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
5 (631.04)
SHAMA-KAFAR LIMITED PARTNERSHIP 4-30-88
(36)
SHAMA-KAFAR LIMITED PARTNERSHIP 9-30-87
(4) (639.12) W-12704
F. BERTRAM RUDOLF, JR. 4-30-92 W-74288
CONOCO INC. 6-30-95
GAS & OIL MANAGEMENT, INC. 8-22-91 (630.99)
DANIEL WOLF 7-31-95
SHAMA-KAFAR LIMITED PARTNERSHIP 3-31-97
A.J. SCHUCK 1-31-92 W-74296
UNLEASED FEDERAL
UNLEASED STATE
UNLEASED FEE
FEE

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31
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R 111 W

R 111 W

R 110 W

T 9 S

T 10 S

| | | ACRES | PERCENTAGE |
|---|---|---|---|
| | FEDERAL | 150,367.39 | 83.08 |
| | STATE | 7,762.19 | 4.29 |
| | PATENTED | 22,870.10 | 12.63 |
| | TOTAL | 180,999.68 | 100.00% |

N

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(115) SEC
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(29) SECT
of riv
DORO
11-30

(38) SECT
riparia
WALT

(80) SECT

(93) SECT
UNLE

19
(599 41)
(48)
W-93517

20
(49)
W-93517

SHAMA KAFAR LIMITED PARTNERSHIP
9-30-87

22
(12)
W 60136

23
(12)
W 60136

SHAMA KAFAR LIMITED PARTNERSHIP
9-30-87

30
(54)
W 101775

29
(13)
W 60137

SHORELINE PETROLEUM COMPANY, L.P.

28

27
(13)
W 60137

26
(12)
W 60136

UNLEASED FEE

31
(8)
UNLEASED FEDERAL

32
UNLEASED FEDERAL

33
UNLEASED FEE

SHAMA KAFAR LIMITED PARTNERSHIP
W 60137

34
(13)
W 60137

ESTATE OF KAREN B TEMPLE
9-30-87

35
(14)
W 60138

UNLEASED FEE

UNLEASED FEE

5
(636 80)
(104)
UNLEASED FEE

6
(602 40)
(49)

SHAMA KAFAR LIMITED PARTNERSHIP
10 31 96

(53)
(604 40)

SHAMA-KAFAR LIMITED PARTNERSHIP
W-101774

CHEVRON USA INC
4-16-90
FEE

4
(636 51)
(47)
W-93516

DANIEL WOLF
7-31-95

9
W-93516

UNLEASED FEE

UNLEASED FEE

UNLEASED FEDERAL

UNLEASED FEDERAL

3
(636 79)
(81)

10
(81)

11
(41)

UNLEASED FEDERAL

UNLEASED FEDERAL

1
(636 47)
(81)
UNLEASED FEDERAL

2
(636 52)
(81)
UNLEASED FEDERAL

12
SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
W-60133

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-87

SHAMA KAFAR LIMITED PARTNERSHIP
4-30-88
40.00 x 40.00

(688 52)
W-74906
(36)

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87

18
(603 32)
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W-97288

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(603 04)
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W 60134

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-95
(49)
W-97288

SHAMA KAFAR LIMITED PARTNERSHIP
10 31 96
(53)
W-101774

CHEVRON USA INC
4-16-90
FEE

GILMAN A HILL
8-17-88
FEE

(107)
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(105)
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(108)

(109)
FEE

(110)

SHAMA KAFAR LIMITED PARTNERSHIP
3-31-97
W-103504
(66)

DANIEL WOLF
7-31-95
(47)
W-93516

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-87
14
(10)
W-60133

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
13
(10)
W-60133

SHAMA-KAFAR LIMITED PARTNERSHIP
4-30-88
(36)
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W 74906

20
(603 21)
(9)
W-60130

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
30
(9)
(603 32)
W-60130

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-95
29
(49)
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SHAMA KAFAR LIMITED PARTNERSHIP
3-31-97
W-103504
(66)
W 97288

28
(639 75)
(110)

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

SHAMA KAFAR LIMITED PARTNERSHIP
3-31-97
26
(66)
W-103504

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-87
25
(5)
W-60125

BERNARD I GROSSER
10-31-94
(41)
(674 52)
W-88580

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
(5)
W-60125

SHAMA-KAFAR LIMITED PARTNERSHIP
4-30-88
(36)
W-60125

21
(603 04)
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W 60134

SHAMA KAFAR LIMITED PARTNERSHIP
9-30-87
19
(11)
(603 04)
W 60134

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-95
(49)
W-97288

GAS & OIL MANAGEMENT, INC
8-25-91
FEE

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

SHAMA KAFAR LIMITED PARTNERSHIP
3-31-97
W-103504
(66)

SHAMA KAFAR LIMITED PARTNERSHIP
3-31-97
35
(65)
W-103504

36
(93)
UNLEASED STATE

BERNARD I GROSSER
10-31-94
-31
(41)
(674 36)
W-88580

SHAMA-KAFAR LIMITED PARTNERSHIP
9-30-87
4
32
(81)
4
W-60124

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-87
6
(9)
W 60130

5
(636 52)
(81)
UNLEASED FEDERAL

UNLEASED FEDERAL

GAS & OIL MANAGEMENT, INC
8-22-91
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UNLEASED FEDERAL

UNLEASED FEDERAL

SHAMA-KAFAR LIMITED PARTNERSHIP
9-30-87
6
(654 73)
(91)

UNLEASED FEDERAL

GAS & OIL MANAGEMENT, INC
6-30-88
FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
4-30-88
20
(36)
W-74906

SHAMA-KAFAR LIMITED PARTNERSHIP
8-31-89
7
(615 58)
(82)
W-60127

SHAMA-KAFAR LIMITED PARTNERSHIP
8-31-89
8
(62)
W 60127

UNLEASED FEDERAL

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

DANIEL WOLF
7-31-95
(47)

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
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(81)

R J SCHUCK
1-31-92
W-74296
(34)

GAS & OIL MANAGEMENT, INC
6-30-91
(118)

BERNARD I GROSSER
10-31-94
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(41)
(674 52)
W-88580

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
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UNLEASED FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
9-30-87
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W-60124

SHAMA-KAFAR LIMITED PARTNERSHIP
9-30-87
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(81)
W-60124

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87

SHAMA-KAFAR LIMITED PARTNERSHIP
8-31-89
9
(615 58)
(82)
W-60127

SHAMA-KAFAR LIMITED PARTNERSHIP
8-31-89
9
(62)
W 60127

UNLEASED FEDERAL

SHAMA KAFAR LIMITED PARTNERSHIP
4-1-92
(81)

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
(81)
W-60128

GAS & OIL MANAGEMENT, INC
6-30-91
(118)

GILMAN A HILL
8-17-88
FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
10
31
(605 69)
(9)
W 60130

SHAMA KAFAR LIMITED PARTNERSHIP
12-31-87
32
(9)
W 60130

33
FEE

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

GAS & OIL MANAGEMENT, INC
8-22-91
FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
(81)
W-60128

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
13
(10)
W-60133

SHAMA-KAFAR LIMITED PARTNERSHIP
9-30-87
(4)
W-60124

SHAMA-KAFAR LIMITED PARTNERSHIP
9-30-87
(4)

6
(654 73)
(91)

GAS & OIL MANAGEMENT, INC
6-30-88
FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
(36)
W-74906

SHAMA KAFAR LIMITED PARTNERSHIP
8-31-89
18
(603 21)
(82)
W-60127

SHAMA KAFAR LIMITED PARTNERSHIP
8-31-89
17
(82)
W-60127

SHAMA-KAFAR LIMITED PARTNERSHIP
4-1-92
16
(90)

GAS & OIL MANAGEMENT, INC
6-26-91
FEE

GAS & OIL MANAGEMENT, INC
6-26-91
FEE

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
23
(6)
92

SHAMA-KAFAR LIMITED PARTNERSHIP
12-31-87
13
(6)
W-60128

HPC, INC
9-30-87
24
(8)

GILMAN A HILL
NOT YET ISSUED)

SHAMA-KAFAR LIMITED PARTNERSHIP
4-30-88
18
(35)
(67677)
W-74905

HPC, INC
9-30-87
19
(674 91)

HPC, INC
9-30-87
(2)
W-60122

HPC, INC
9-30-87
20

T 29 N

R 109 W

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 31st day of August, 1987.

HPC, INC.

**ATTEST:**

J. E. Potts, Secretary

**By:** B. L. Peterson
B. L. Peterson
Vice President Exploration

L A W WP

**Address:** Seventeenth Street Plaza
1225 Seventeenth Street, Suite 3100
Denver, CO 80202

**STATE OF** Colorado )
)ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by B. L. Peterson, as Vice President Exploration, of HPC, INC.

**This** 31st **day of** August, 19 87.

**WITNESS** my hand and official seal.

**My commission expires:**

2/3/89

Shirley Howell
**Notary Public**
Shirley Howell
1225 - 17th Street, Suite 3100
Denver, CO 80202

SHIRLEY HOWELL NOTARY PUBLIC STATE

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 19 day of Aug., 1987.

ATTEST:

Shama-Kofax Ltd. Partnership

_____

By: Gilman A. Hill
General Partner

Address:

**STATE OF** Colorado )
)ss.
**COUNTY OF** Arapahoe )

The foregoing instrument was acknowledged before me by Gilman A. Hill, as General Partner, of Shama-Kofax Ltd. Partnership.

This 19th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

5-1-88

John L. Moore
Notary Public

RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 31 day of August, 1987.

ATTEST:

SUN OPERATING LIMITED PARTNERSHIP BY
SUN EXPLORATION AND PRODUCTION COMPANY
ITS MANAGING GENERAL PAHTNER

_____

BY: W. L. Parchman Jr.
(Attorney-in-Fact)

Address: **P. O. Box 2880**
**Dallas, Texas 75221-2880**

STATE OF TEXAS §

COUNTY OF DALLAS §

This foregoing instrument was acknowledged before me by W. L. Parchman, Jr. Attorney-in-Fact of Sun Exploration and Production Company, as Managing General Partner of SUN OPERATING LIMITED PARTNERSHIP, on behalf of said partnership on the 31 day of August, 1987.

Witness my hand and official seal.

Michele Burrow
Notary Public

My Commission Expires:

10-1-90

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 20th day of Aug, 1987.

**ATTEST:**

_____

BWAB INCORPORATED

By: William G. Mills II
William G. Mills, II
Attorney-in-Fact

**Address:** 1801 California, #1000
Denver, Colorado 80202

**STATE OF** Colorado )
)ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by William G. Mills, II, as Attorney-in-fact, of BWAB Incorporated.

**WITNESS** my hand and official seal.
**My commission expires:**

March 25, 1989

Donna S. Imel
Notary Public, Donna S. Imel

## RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24th day of August, 1987.

Robert Klabzuba

ROBERT KLABZUBA

Address: 930 West First Street
Lexington Place
Fort Worth, TX 76102

**STATE OF** Texas )
)ss.
**COUNTY OF** Tarrant )

The foregoing instrument was acknowledged before me by

Robert Klabzuba.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

6-17-89

Pat Parkinson

Notary Public
Pat Parkinson

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24th day of August, 1987.

Frank A. Schultz

Address:

**STATE OF** Texas )
)ss.
**COUNTY OF** Dallas )

The foregoing instrument was acknowledged before me by Frank A. Schultz.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

12-3-88

Kathleen Jones
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 26th day of August, 1987.

Robert G. Hanagan

Address: P. O. Box 1537
Roswell, New Mexico 88201

**STATE OF** NEW MEXICO )
)ss.
**COUNTY OF** CHAVES )

The foregoing instrument was acknowledged before me by

Robert G. Hanagan.

This 26th day of August, 19 87

**WITNESS** my hand and official seal.

**My commission expires:**

7-26-89

Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 31st day of August, 19 87.

ATTEST:

CHEVRON U.S.A. INC.

By: B. M. Wohl ASSISTANT SECRETARY

Chevron's Ratification hereof is expressly limited to its interest in Tracts 35 (W-62509) and 36 (W-62510) and is subject to the terms of that certain Letter Agreement dated August 31, 1987, which addresses Unit Operating Agreement matters only.

Address:

STATE OF COLORADO )
) SS
COUNTY OF ARAPAHOE )

Before me, the undersigned authority, a Notary Public in and for said County, personally appeared B. M. WOHL to me personally known, who being by me duly sworn did say that he, with the capacity designated by his signature on the document to which this certificate is attached, is an officer or agent, of Chevron U.S.A. Inc., a corporation organized and existing under and by virtue of the laws of the State of Pennsylvania, and that he as such officer or agent and in such capacity being authorized by its Bylaws and/or Board of Directors so to do, signed, sealed, executed and acknowledged before me the foregoing instrument on behalf of said Corporation as his voluntary act and deed and the voluntary act and deed of said Corporation for the uses, purposes and consideration therein expressed and contained by signing the name of the Corporation by him as such officer or agent and that the seal, if any, affixed to said instrument is the Corporate seal of said Corporation, and he further acknowledges to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal of office on this the 31st day of August, 19 87.

My Commission expires:
My commission expires March 6, 1989.

J. C. Montoya
Notary Public

My business address is:
6400 South Fiddler's Green Circle
Englewood, Colorado 80111

CW-741-1 (3/87)

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25th day of August, 19 87.

**ATTEST:**

_____

ENRON CORP.

By: _____
Robert A. May
Agent and Attorney-in-Fact

ENRON PRODUCING COMPANY

By: _____
Robert A. May
Agent and Attorney-in-Fact

**Address:**

**STATE OF** COLORADO )
)ss.
**COUNTY OF** DENVER )

The foregoing instrument was acknowledged before me by Robert A. May

_____, as Agent and Attorney-in-Fact, of

Enron Corp. and Enron Producing Company

This 25th day of August, 19 87.

**WITNESS** my hand and official seal.

**My commission expires:**

5-17-88

_____
Notary Public
Cheryl A. Haugen

CHERYL A. HAUGEN NOTARY PUBLIC STATE OF COLORADO

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 27, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 19th day of August, 1987.

ATTEST:

SIERRA ENERGY COMPANY

By: _____

DAN ASKAINEN, Manager

Address:

**STATE OF** Nevada )
)ss.
**COUNTY OF** Washoe )

The foregoing instrument was acknowledged before me by _____
Dan Askainen, as Manager, of Sierra Energy Company.

This 19th day of August, 1987

**WITNESS** my hand and official seal.

My commission expires:

_____

Notary Public

RECORDED IN WASHOE COUNTY, NEVADA
NOTARY PUBLIC
Rebecca M. Adamec
of Nevada
Washoe County
MY APPOINTMENT EXPIRES JAN. 20, 1991

## RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 26th day of August, 19 87.

Dorothy J. Scribner

Dorothy J. Scribner

Address: 200 Cascade Avenue
Cheyenne, WY 82009

**STATE OF** Iowa )
) ss.
**COUNTY OF** Woodbury )

The foregoing instrument was acknowledged before me by Dorothy J. Scribner.

This 26th day of August, 19 87.

**WITNESS** my hand and official seal.

My commission expires:

Linetta Vlieger
Notary Public

LINETTA VLIEGER
MY COMMISSION EXPIRES
4-25-90

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24 day of July, 1987

Walter M. Mack Trust

~~ATTEST~~:

By: _____

Address: 1000 Skokie Blvd.
Wilmette, IL 60091

**STATE OF** Illinois )
)ss.
**COUNTY OF** Cook )

The foregoing instrument was acknowledged before me by _____

Walter M. Mack, as Tustee, of

The Walter M. Mack Trust. Declaration of Trust, dated 2/11/82, fully revocable by WMM at any time.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

11/2/87

Gerry Dickerson
Notary Public
Gerry Dickerson

GERRY DICKERSON NOTARY PUBLIC COOK COUNTY, ILL.

## RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 20th day of Aug, 1987.

R.J. Schuck

Address:

**STATE OF** Texas )
) ss.
**COUNTY OF** Harris )

The foregoing instrument was acknowledged before me by

R.J. Schuck.

This 20th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

02/17/91

Notary Public

CHRIS E. ROBERTS
Notary Public, State of Texas
My Commission Expires 02-17-91

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 28th day of August, 1987.

**ATTEST:**

ASSISTANT SECRETARY

ENSTAR CORPORATION

**By:**

L. CHARLES SCHOLZ, DIRECTOR

U. S. LAND OPERATIONS, UNION TEXAS PETROLEUM CORPORATION, AS AGENT FOR ENSTAR CORPORATION

**Address:** 14001 East Iliff Avenue, Suite 500
Aurora, Colorado 80014

**STATE OF** Texas )
) ss.
**COUNTY OF** Harris )

The foregoing instrument was acknowledged before me by _____

L. Charles Scholz, as Director - U.S Land Operations of Union Texas Petroleum Corporation.

This 28th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

E. BLANCA MINTON
Notary Public
STATE OF TEXAS
My Comm. Exp. 8-22-'89

E. Blanca Minton
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 28th day of August, 1987.

ATTEST:

ASSISTANT SECRETARY

ENSTAR PETROLEUM COMPANY, a division of Enstar Corporation

By:

L. CHARLES SCHOLZ, DIRECTOR U.S. LAND OPERATIONS, UNION TEXAS PETROLEUM CORPORATION, AS AGENT FOR ENSTAR CORPORATION

**Address:** 14001 East Iliff Avenue, Suite 500
Aurora, Colorado 80014

**STATE OF** Texas )
) ss.
**COUNTY OF** Harris )

The foregoing instrument was acknowledged before me by _____

L. Charles Scholz, as Director - U.S. Land Operations, of Union Texas Petroleum Corporation

This 28th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

E BLANCA MINTON
Notary Public
STATE OF TEXAS
My Comm. Exp. 8-22-'89

E. Blanca Minton
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 27th day of August, 1987.

ATTEST:

Thomas J. Deacon

By: Keith E. Anderson V.P.

KEITH E. ANDERSON
VICE PRESIDENT

Address:

**STATE OF** Washington )
)ss.
**COUNTY OF** King )

The foregoing instrument was acknowledged before me by Keith E Anderson, as Vice President, of Inexco Exploration, Inc.

This 27th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

July 15 1991

Teresa A. Emundson
Notary Public

* Approved subject to the deletion of Article 39.2 of the Unit Operating Agreement.

## RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24th day of Aug, 1987.

Walter Thomas Keeney

50 Poverty Hollow Rd

Address: Weatogue Ct.

06470

**STATE OF** Conn. )
) ss. Weatogue Ct. 06853
**COUNTY OF** Hartford )

The foregoing instrument was acknowledged before me by

Walter Thomas Keeney Jr.

This 24th day of Aug, 1987

**WITNESS** my hand and official seal.

My commission expires:

Theresa M. Perry

Notary Public

THERESA M. PERRY
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1990

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 20th day of August, 1987.

Jon D. McMurtrie

Address: Jon D. McMurtrie
125 E. First Avenue
Appleton, WI 54911

**STATE OF** WISCONSIN )
) ss.
**COUNTY OF** OUTAGAMIE )

The foregoing instrument was acknowledged before me by Jon D. McMurtrie.

This 20th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

June 30, 1991

Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 26th day of August 19 87

Bernard Irving Grosser

**Address:**

**STATE OF** Maryland )
)ss.
**COUNTY OF** Montgomery )

The foregoing instrument was acknowledged before me by

Bernard Irving Grosser.

This 26th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

July 1, 1990

Mary B. Garrett
Notary Public
MARY B GARRETT

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 18TH day of August, 1987.

**ATTEST:**

A.V.P.

ROY H. GUESS TRUST

By: ATO

Address: First Interstate Bank of Casper, N.A.
TRUST DEPARTMENT
P. O. BOX 40
CASPER, WYOMING 82602

**STATE OF** Wyoming )
) ss.
**COUNTY OF** Natrona )

The foregoing instrument was acknowledged before me by Gary L. Rhoades, as Asst. Trust Officer, of First Interstate Bank.

This 17th day of August, 1987

**WITNESS** my hand and official seal.

My commission expires:

Berry J. Gifford Notary Public
County of Natrona State of Wyoming
My Commission Expires Aug. 2, 1991

Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25th day of August, 1987.

Daniel Wolf

**Address:**

**STATE OF** Colorado )
) ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by

Daniel Wolf.

This 25th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

5-1-88

Notary Public
John L. Moore

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 21 day of August, 19 87.

ATTEST:

_____

By: _____

Peter W. Hummel
General Partner
Shoreline Petroleum, Co., L.P.

Address: Post Office Box 10350
Reno, Nv. 89510

**STATE OF** Nevada )
)ss.
**COUNTY OF** Washoe )

The foregoing instrument was acknowledged before me by Peter W. Hummel, as General Partner, of Shoreline Petroleum Co. L.P.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

January 20 1989

Karen K. Murphy
Notary Public

KAREN K. MURPHY
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES JAN 20, 1989

## RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 19th day of August, 19 87.

L. M. Grace, Jr. (Tract #04)

Address: P.O. Box 1587
Casper, WY 82602

**STATE OF** ~~WYOMING~~ WYOMING )
)ss.
**COUNTY OF** NATRONA )

The foregoing instrument was acknowledged before me by

L. M. Grace, Jr.

This 19th day of August, 19 87

**WITNESS** my hand and official seal.

NOTARY PUBLIC

My commission expires:

3/24/90

Connie Scherrer
Notary Public

$10

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24th day of August, 1987.

Address: P. O. Box 2003
Casper, Wyoming 82602-2003

**STATE OF** Wyoming )
)ss.
**COUNTY OF** Natrona )

The foregoing instrument was acknowledged before me by

R. K. O'Connell.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

CINDY L. KING - Notary Public
County of
Natrona
My Commission Expires July 5, 1990

Cindy L. King
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 21st day of August, 1987.

Ah H. Dewes

Address: 7300 W. Stetson Pl. # 44
Littleton, Colo. 80123

**STATE OF** Colorado )
) ss.
**COUNTY OF** Denver )

City

The foregoing instrument was acknowledged before me by

Allen H. Dewes

This 21st day of August, 1987

**WITNESS** my hand and official seal.

My commission expires:

8-31-88

Mary Lou Moore
Notary Public
909-17th Street #505
Denv. Co. 80202

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 21st day of August, 19 87.

ATTEST:

_____

By: RUTTER ENTERPRISES

A. W. RUTTER, JR., PARTNER

Address:

P. O. BOX 3186
MIDLAND, TX 79702

STATE OF TEXAS )
)ss.
COUNTY OF MIDLAND )

The foregoing instrument was acknowledged before me by A. W. RUTTER, JR., as PARTNER, of RUTTER ENTERPRISES.

This 21st day of August, 1987.

WITNESS my hand and official seal.
My commission expires:

_____

Charlotte S. Harris
Notary Public

CHARLOTTE S. HARRIS
Notary Public, State of Texas
My Commission Expires 5-18-91

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this _____ day of AUG 18 1987, 19__.

Address: _____

AUG 18 1987

State of Mississippi )
: ss.
County of Stone )

The foregoing instrument was acknowledged before me this ____day of _____, 1987.

Witness my hand and official seal.

SEAL

My commission expires: 10-31-90

HOWELL & SPEAR
Box 206
Perkinston, Miss. 39573

Lora Johnson
Notary Public, Perkinston, MS.

**WITNESS** my hand and official seal.

My commission expires:

_____ _____
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24 day of Aug, 1987.

**ATTEST:**

Joaquin G. Molinet
Assistant Secretary

By: [signature]

Address:

STATE OF LOUISIANA )
Polish )ss.
~~COUNTY~~ OF Orleans )

The foregoing instrument was acknowledged before me by Paul Plusquellec, as V-P Exploration, of CNG Producing Company.

This 25 day of August, 1987

**WITNESS** my hand and official seal.
My commission expires:

at Death

[signature]
Notary Public

DAVID C. BARIL
Notary Public, Parish of Jefferson, State of La.
My Commission is issued for life.

EXECUTED THIS 25th DAY OF August, 1987.

ATTEST:

Roy H. Dubitzky

FOSSIL ASSOCIATES

W. K. Arbuckle - Member of the Joint Venture

STATE OF COLORADO

ss

COUNTY OF DENVER

The foregoing instrument was acknowledged before me by W. K. Arbuckle, as a Member of the Joint Venture, of Fossil Associates.

This 25th day of August, 1987.

WITNESS my hand and official seal.

My Commission expires:

1/5/88

Notary Public

My Commission expires January 5, 1988
1560 Lincoln St. Suite 1220
Denver, Colorado 80203

Form 3000-3
(December 1986)
(formerly 3106-5 & 3200-17)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

Lease Serial No.
W-103505

New Serial No.

# ASSIGNMENT OF RECORD TITLE INTEREST IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

**Type or print plainly in ink and sign in ink.**

## PART A: ASSIGNMENT

1. Assignee: CNG Producing Company
   Street: One Canal Place - Suite 3100
   City, State: New Orleans, Louisiana
   Zip Code: 70130

   Additional Assignees

This record title assignment is for: *(Check one)* ☒ Oil and Gas Lease, or ☐ Geothermal Lease

erest conveyed: *(Check one or both, as appropriate)* ☒ Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| T33N, R110W<br>Section 8: S/2SW<br>Section 17: All<br>Sublette County, WY<br>Containing 720 ac., more or less | 100% | 100% | -0- | 3.0% | -0- |

**FOR BLM USE ONLY**

UNITED STATES OF AMERICA

**This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.**

☐ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective _____

By _____ _____
(Authorized Officer) (Title) (Date)

Year Year Year

## PART C: GENERAL INSTRUCTIONS

1. Applicant(s) must complete Parts A1 and A2 and Part B. Both parties to assignment must sign. File three (3) manually signed, completed copies of this form in the appropriate BLM office for each assignment of record title. File one (1) manually signed copy for transfer of overriding royalty interests, payment out of production or other similar interests or payments. The required filing fee (nonrefundable) must accompany the assignment. File assignment within ninety (90) days after date of execution of assignor.

2. Separate form must be used for each lease being affected by this assignment and for each type of interest conveyed.

3. In item No. 2 of Part A, describe lands affected (See 43 CFR 3106, 3135, or 3241). For columns b, c, d, and e, enter the interest expressed as a percentage of total interest in the lease; e.g., if assignor assigns one quarter of a 20% interest, enter 20% in column b, 5% in column c, and 15% in column d.

4. If assignment is to more than one assignee, enter each assignee's name across columns [redacted] the respective interest being conveyed [redacted]

5. If any payment out of production or similar interests, arrangements or payments have previously been created out of the interest being assigned, or if any such payments or interests are reserved under this assignment, include a statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106, 3135, or 3241.

6. The lease account must be in good standing before this assignment can be approved as provided under 43 CFR 3106 and 3241.

7. Assignment, if approved, takes effect on the first day of the month following the date of filing in the proper BLM office. If a bond is necessary, it must be furnished prior to approval of the assignment.

8. Approval of assignment of record title to 100% of a portion of the leased lands creates separate leases of the retained and the assigned portions, but does not change the terms and conditions of the lease anniversary date for purposes of payment of annual rental.

[redacted] erriding royalty, payment out of production [redacted] ilar types of transfer [redacted] be filed with BLM [redacted] will be accepted [redacted] purposes only. Non-

PAPERWORK REDUCTION ACT STATEMENT

1. This information is being collected pursuant to the law.

2. This information will be used to create and maintain a record of oil and gas/geothermal lease activity.

3. Response to this request is required to obtain benefit.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas/geothermal lease record title assignment application.

AUTHORITY: 30 U.S.C. 181 et seq.

PRINCIPAL PURPOSE—The information is to be used to process oil and gas/geothermal lease record title assignment applications.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.

(2) Documentation for public information in support of notations made on land statu records for the management, disposal, and use of public lands and resources

(3) Transfer to appropriate Federal agencies when concurrence is required prior t granting a right in public lands or resources.

(4)(5) Information from the record and/or the record will be transferred to appropri ate Federal, State, local or foreign agencies, when relevant to civil, criminal or regu tory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION—If all the information is n provided, the application may be rejected. See regulations at 43 CFR Group 3100 and 3200.

Tear Tear Tear

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

## PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.

2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the la of the United States or of any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, nation, or resident alien of the United States or assoc tion of such citizen, nationals, resident aliens or private, public or municipal corporations. (b) Assignee is not considered a minor under the laws of the State in whi the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,0 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alas if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; and (d) All part holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described here

For oil and gas assignments, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or intere created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal assignments, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of roya due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 25th day of August, 19 87

Assignor FOSSIL ASSOCIATES
or W. K. Arbuckle (Signature) Member of the Jt Ve
Attorney-in-fact _____
(Signature)

Name of assignor as shown on current lease or assignment Fossil Associates
1580 Lincoln Street - Suite 1220
Denver, Colorado 80203
(Assignor's Address) (City) (State) (Zip Code)

Executed this _____ day of _____, 19____

Assignee _____
(Signature)
or
Attorney-in-fact _____
(Signature)

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudu statements or representations as to any matter within its jurisdiction.

*U.S GPO. 1987-0-773-017/61

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 19th day of August, 19 87.

ATTEST:

D. A. Morrison
Secretary

ABBY CORPORATION:

By: Scott A Harris
President

Address: P. O. BOX 1629
GRAND JUNCTION, CO. 81502

**STATE OF** COLORADO )
)ss.
**COUNTY OF** MESA )

The foregoing instrument was acknowledged before me by Scott A. Harris, as President, of Abby Corporation.

This 19th day of August, 19 87.

**WITNESS** my hand and official seal.
My commission expires:

4/23/90

Doris I Van Loan
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 18th day of August, 19 87.

ATTEST: WITNESS:

S. Mardell Davis

By: E. Wolf
MARVIN E. WOLF

OFFICE **Address:** 1675 Broadway, Suite 1600
Denver, Colorado 80202-4616

**STATE OF** COLORADO )
)ss.
**COUNTY OF** DENVER )

The foregoing instrument was acknowledged before me by MARVIN E. WOLF, as himself, xxx

.

This 18th day of August, 19 87.

**WITNESS** my hand and official seal.
My commission expires:

November 9, 1987

S. Mardell Davis
Notary Public
S. Mardell Davis
Notary Public - State of Colorado
Bank Western Tower
1675 Broadway Suite 1600
Denver, Colorado 80202-4616

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 18th day of August, 19 87.

ATTEST: ~~xx~~ WITNESS:

S. Mardell Davis

By: Melvin Wolf
MELVIN WOLF

OFFICE Address: 1675 Broadway, Suite 1600
Denver, Colorado 80202-4616

**STATE OF** COLORADO )
) ss.
**COUNTY OF** DENVER )

The foregoing instrument was acknowledged before me by MELVIN WOLF, as himself, of~~xx~~

This 18th day of August, 1987.

**WITNESS** my hand and official seal.
My commission expires:
November 9, 1987

S. Mardell Davis
Notary Public

S. Mardell Davis
Notary Public - State of Colorado
Bank Western Tower
1675 Broadway Suite 1600
Denver, Colorado 80202-4616

## RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 28 day of August, 1987

ATTEST:

Bonnie M. Re

By: Bonnie M. Re

78 Bedford St. 5A

Address: NY NY 10014

**STATE OF** NY )
)ss.
**COUNTY OF** KINGS )

The foregoing instrument was acknowledged before me by Bonnie M. Re.

_____, as _____, of

_____.

This 28 day of AUGUST, 1987

**WITNESS** my hand and official seal.

My commission expires:

_____

_____
Notary Public

IVAN F. ORREGO
Notary Public, State of New York
No. 01-OR4961276
Qualified in Kings County
Commission Expires May 12, 1988

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 17th day of August, 19 87.

Address: [illegible]

**STATE OF** [illegible] )
) ss.
**COUNTY OF** [illegible] )

The foregoing instrument was acknowledged before me by

[illegible].

This 17th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

Harriett R. Stalberg
Notary Public
County of Lincoln
State of Wyoming
My Commission expires Dec. 28, 1990

Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 26th day of August, 1987.

ATTEST:

Gordon H. Mayberry

Gordon H. Mayberry
Secretary

GAS & OIL MANAGEMENT, INC.

By: _____

J.D. Cranor
President

Address: Gas & Oil Management, Inc.
7955 E. Arapahoe Court Suite 3100
Englewood, Colorado 80112

STATE OF Colorado )
)ss.
COUNTY OF Arapahoe )

The foregoing instrument was acknowledged before me by J. D. Cranor, as President, of Gas & Oil Managment, Inc.

This 31st day of August, 1987

WITNESS my hand and official seal.
My commission expires:
5-1-88

Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 28TH day of Aug, 1987.

ATTEST: EMC ENERGIES, INC. CORPORATE SEAL WYOMING

By: Thomas A Galles

Address:

**STATE OF** Wyoming )
)ss.
**COUNTY OF** Natrona )

The foregoing instrument was acknowledged before me by Thomas A. Galles, as President, of EMC Energies, Inc.

This 28th day of August, 1987.

**WITNESS** my hand and official seal.
My commission expires:

Karen K. Coleman
Notary Public

KAREN K. COLEMAN - NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires Sept. 25, 1988

# RATIFICATION AND JOINDER OF UNIT AGREEMENT
# AND
# UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves and adopts said Unit Agreement, and also said Unit Operating Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 19th day of August, 1987.

ATTEST:

LIBERTY PETROLEUM CORPORATION

By: _____
Gregor Klurfeld, President

Address: 200 West 58 Street
New Yoek, New York 10019

**STATE OF** NEW YORK )
)ss.
**COUNTY OF** NEW YORK )

The foregoing instrument was acknowledged before me by _____

Gregor Klurfeld, as President, of

Liberty Petroleum Corporation.

This 19th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

_____ _____
Notary Public

IRENE I READY
Notary Public, State of New York
No. 43-4707713
Qualified in Richmond County
Commission Expires Sept. 30, 1989

EXHIBIT "B"

SCHEDULE SHOWING PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS

NEW-TECH UNIT AREA

SUBLETTE COUNTY, WYOMING

SEP 2 5 1987

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | FEDERAL LANDS: | | | | | | | | | | |
| 1 | T30N-R109W, 6th P.M.<br>Sec. 22: E½<br>Sec. 23: All<br>Sec. 24: N½ | 1280.00 | W-60121<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | Production payment of 5% of market value of production up to $3,000 per acre to Wentworth Production Properties | | HPC, Inc. | 100% |
| 2 | T30N-R109W, 6th P.M.<br>Sec. 15: All<br>Sec. 17: S½<br>Sec. 20: All<br>Sec. 21: All<br>Sec. 22: W½ | 2560.00 | W-60122<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | Production payment of 5% of market value of production up to $3,000 per acre to Wentworth Production Properties | | HPC, Inc. | 100% |
| 3 | T30N-R109W, 6th P.M.<br>Sec. 24: S½<br>Sec. 25: S½<br>Sec. 26: All<br>Sec. 27: All<br>Sec. 28: All | 2560.00 | W-60123<br>Effective 3-1-78<br>Expires 2-29-88 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | Lite Sabin | 5% | HPC, Inc. | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 4 | **T30N-R109W, 6th P.M.**<br>Sec. 3: Lot 4, S½NW¼, SW¼, SW¼SE¼<br>Sec. 4: Lots 1, 2, 3, S½NE¼, SE¼NW¼, S½<br>Sec. 5: Lots 2, 3, 4, 5 S½NW¼, NW¼SW¼, SE¼SE¼<br>Sec. 6: Lots 8, 9, 10, 11, 12, 13, S½NE¼<br><br>**T31N-R109W, 6th P.M.**<br>Sec. 32: Lot 5, SW¼NE¼, W½, W½SE¼<br>Sec. 33: Lots 4, 7, E½NW¼, E½ | 2422.70 | W-60124<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | 1 John D. Chasel<br>2 American Hunter Exploration Ltd. | 5%<br>2.5% | Shama-Kafar Limited Partnership | 100% |
| 5 | **T31N-R109W, 6th P.M.**<br>Sec. 19: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, E½<br>Sec. 29: W½NE¼, W½<br>Sec. 30: E½<br><br>**T31N-R110W, 6th P.M.**<br>Sec. 24: E½<br>Sec. 25: All | 2356.99 | W-60125<br><br>Effective 1-1-78<br><br>Expires 12-31-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Production payment of 5% of market value of production up to $10,000 per acre to:<br>Marion Z. Simmons 66 2/3%<br>3 Melbourne Concept Profit Sharing Trust, Frank M. Critelli, Trustee 33 1/3%<br>2 American Hunter Exploration Ltd. 2.5% | | Shama-Kafar Limited Partnership | 100% |



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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 6 | **T30N-R110W, 6th P.M.**<br>Sec. 11: Lots 2, 3, 4, N½, W½SW¼ NE¼SW¼, NW¼SE¼<br>Sec. 13: Lot 1, E½, E½W½ SW¼NW¼, W½SW¼<br>Sec. 15: Lots 2, 3<br>Sec. 20: N½NE¼<br>Sec. 21: Lots 2, 3, 5, N½NW¼<br>Sec. 22: SE¼SE¼<br>Sec. 23: NE¼, E½NW¼ S½<br>Sec. 27: Lot 3, E½NE¼ SW¼NE¼, SE¼NW¼, S½ | 2552.03 | W-60128<br>Effective 1-1-78<br>Expires 12-31-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Production payment of 5% of market value of production up to $1,000 per acre to:<br>4 Burt P. Flickinger 66 2/3%<br>Eugene Monesi 33 1/3%<br>5 Fina Oil and Chemical Company 5% | Shama-Kafar Limited Partnership | 100% |
| 7 | **T30N-R110W, 6th P.M.**<br>Sec. 26: All<br>Sec. 35: All | 1280.00 | W-60129<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | 6 Marshall R. Perkins 5%<br>7 John Masek .5%<br>Paul Messinger & Co. 3% | Shama-Kafar Limited Partnership | 100% |
| 8 | **T30N-R110W, 6th P.M.**<br>Sec. 24: All<br>Sec. 25: All | 1280.00 | W-60129-A<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | 6 Marshall R. Perkins 5%<br>7 John Masek .5% | HPC, Inc. | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 9 | **T30N-R110W, 6th P.M.**<br>Sec. 6: Lots 1, 2, 3, 4, 5, 6, 7, S½NE¼, SE¼NW¼, E½SW¼, SE¼<br>**T31N-R110W, 6th P.M.**<br>Sec. 30: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 31: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 32: All | 2459.74 | W-60130<br>Effective 1-1-78<br>Expires 12-31-87 | U.S.A. (12.5%) - All | Shama-Kafar Limited Partnership 100% | Production payment of 65% of 5% of market value of production up to $2,000 per acre to Amey Harrison<br>Production payment of 35% of 5% of market value of production up to $2,000 per acre to Seco Energy Corporation<br>John Masek .5%<br>Barbara Davis 2% | Shama-Kafar Limited Partnership 100% |
| 10 | **T31N-R110W, 6th P.M.**<br>Sec. 12: S½<br>Sec. 13: All<br>Sec. 14: All<br>Sec. 23: All<br>Sec. 24: W½ | 2560.00 | W-60133<br>Effective 1-1-78<br>Expires 12-31-87 | U.S.A. (12.5%) - All | Shama-Kafar Limited Partnership 100% | American Hunter Exploration Ltd. 2.5%<br>Production payment of 35% of 5% of market value of production up to $10,000 per acre to Seco Energy Corporation<br>Production payment of 65% of 5% of market value of production up to $10,000 per acre to Joyce E. Woznica | Shama-Kafar Limited Partnership 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 11 | **T31N-R110W, 6th P.M.**<br>Sec. 19: Lots 1, 2, 3 4, E½W½, E½<br>**T31N-R111W, 6th P.M.**<br>Sec. 2: SW¼NW¼, NW¼SW¼<br>Sec. 11: S½NW¼<br>Sec. 13: S½N½, N½SW¼, SE¼SW¼, SE¼<br>Sec. 24: All<br>Sec. 25: N½, NW¼SW¼, N½SE¼, SE¼SE¼ | 2323.04 | W-60134<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | A. W. Rutter, Jr. 1%<br>Robert E. Eckels .4%<br>John Somerndike 49% of 3.6%<br>Pacific Oil Leasing Services, Inc. 51% of 3.6% | | Shama-Kafar Limited Partnership | 100 |
| 12 | **T32N-R110W, 6th P.M.**<br>Sec. 22: E½, NW¼, N½SW¼, SE¼SW¼<br>Sec. 23: All<br>Sec. 26: All | 1880.00 | W-60136<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Rutter & Wilbanks | 5% | Shama-Kafar Limited Partnership | 100% |
| 13 | **T32N-R110W, 6th P.M.**<br>Sec. 27: E½, E½W½, SW¼SW¼<br>Sec. 29: All<br>Sec. 33: SE¼NE¼, SE¼SW¼ NE¼SE¼, S½SE¼<br>Sec. 34: All | 2000.00 | W-60137<br>Effective 10-1-77<br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | None | | Shama-Kafar Limited Partnership | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 14 | T32N-R110W, 6th P.M.<br>Sec. 35: All | 640.00 | W-60138<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Paul N. Temple Executor of the Karen B. Temple Estate | 100% | Bedford Production Properties<br>9 Paul N. Temple | 5%<br>5% | Shama-Kafar Limited Partnership | 100% |
| 15 | T33N-R110W, 6th P.M.<br>Sec. 30: Lots 1, 2, 3, 4, E½W½, E½ | 638.08 | W-60139<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Stanley W. Zysk<br>2 American Hunter Exploration Ltd. | 5%<br>2.5% | Shama-Kafar Limited Partnership | 100% |
| 16 | T30N-R111W, 6th P.M.<br>Sec. 1: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 2: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 12: All<br>Sec. 13: NW¼NW¼ | 1957.98 | W-60142<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Joe Conway<br>5 Fina Oil & Chemical Company | 5%<br>5% | Shama-Kafar Limited Partnership | 100% |
| 17 | T33N-R111W, 6th P.M.<br>Sec. 11: E½<br>Sec. 12: All<br>Sec. 13: All<br>Sec. 14: E½<br>Sec. 35: W½ | 2240.00 | W-60145<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Marion V. Harris | 5% | Shama-Kafar Limited Partnership | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 18 | T29N-R109W, 6th P.M.<br>Sec. 3: Lots 1, 2, 3, 4, S½N½, N½SW¼<br>Sec. 4: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 5: Lots 1, 2, 3, 4, S½N½, S½<br><br>T30N-R109W, 6th P.M.<br>Sec. 33: S½S½ | 1829.12 | W-60564<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Sun Operating Limited Partnership | 100% | None | | Sun Operating Limited Partnership | 100% |
| 19 | T30N-R109W, 6th P.M.<br>Sec. 19: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 30: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 32: All<br>Sec. 33: N½, N½S½ | 2466.16 | W-60565<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | // William B. Scheidt | 5% | HPC, Inc. | 100% |
| 20 | T29N-R110W, 6th P.M.<br>Sec. 1: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 12: All | 1278.44 | W-60570<br><br>Effective 10-1-77<br><br>Expires 9-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | // William C. Kirkwood<br>/2 James A. Bodenhamer | 2%<br>.5% | Shama-Kafar Limited Partnership | 100% |
| 21 | T29N-R109W, 6th P.M.<br>Sec. 9: All<br>Sec. 10: All<br><br>T30N-R110W, 6th P.M.<br>Sec. 14: Lot 1 | 1295.62 | W-61033<br><br>Effective 11-1-77<br><br>Expires 10-31-87 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | /3 Walter W. Doeringsfield, Jr. | 5% | HPC, Inc. | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 22 | T30N-R110W, 6th P.M.<br>Sec. 14: Lots 4, 5, 7 SE¼NE¼, NW¼NW¼, SE¼SW¼, SE¼<br>Sec. 28: Lots 6, 7, 8, 9, S½S½<br>Sec. 34: N½N½, SE¼NE¼ | 853.07 | W-61908<br>Effective 12-1-77<br>Expires 11-30-87 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Monte J. Allen<br>ERC Industries, Inc.<br>Joseph R. Mazzola | 5%<br>5%<br>1% | Shama-Kafar Limited Partnership | 100% |
| 23 | T31N-R111W, 6th P.M.<br>Sec. 19: Lots 1, 2, 3, E½, E½W½<br>Sec. 28: All<br>Sec. 29: All<br>Sec. 30: Lots 1, 2, 3, 4, E½W½, E½ | 2515.52 | W-62118<br>Effective 2-1-78<br>Expires 1-31-88 | U.S.A. (12.5%) | - All | BWAB Incorporated<br>Robert Klabzuba<br>Frank A. Schultz | 56.25%<br>25%<br>18.75% | A. Lansdale<br>BWAB Incorporated | 4.5%<br>.875% | BWAB Incorporated<br>Robert Klabzuba<br>Frank A. Schultz | 56.25%<br>25%<br>18.75% |
| 24 | T31N-R111W, 6th P.M.<br>Sec. 31: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 32: N½, SW¼, N½SE¼, SW¼SE¼<br>Sec. 33: N½, N½SW¼, SE¼SW¼, SE¼ | 1838.74 | W-62119<br>Effective 2-1-78<br>Expires 1-31-88 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Marguerite B. Smith<br>Barbara Davis | 5%<br>2.5% | Shama-Kafar Limited Partnership | 100% |
| 25 | T29N-R109W, 6th P.M.<br>Sec. 2: Lots 1, 2, 3, 4, S½N½ | 318.48 | W-62502<br>Effective 5-1-78<br>Expires 4-30-88 | U.S.A. (12.5%) | - All | Robert G. Hanagan | 100% | None | | Robert G. Hanagan | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 26 | T30N-R111W, 6th P.M.<br>Sec. 3: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 10: All<br>Sec. 11: All | 1917.76 | W-62509<br><br>Effective 5-1-78<br><br>Expires 4-30-88 | U.S.A. (12.5%) | - All | Chevron U.S.A., Inc<br>Enron Corporation | 50%<br>50% | 1/ Cynthia E. Perkins | 5% | Chevron U.S.A., Inc.<br>Enron Corporation | 50<br>50 |
| 27 | T31N-R111W, 6th P.M.<br>Sec. 34: All<br>Sec. 35: All | 1280.00 | W-62510<br><br>Effective 5-1-78<br><br>Expires 4-30-88 | U.S.A. (12.5%) | - All | Chevron U.S.A., Inc<br>Enron Corporation | 50%<br>50% | 5/ Invicta Corporation | 5% | Chevron U.S.A., Inc.<br>Enron Corporation | 50%<br>50% |
| 28 | T30N-R111W, 6th P.M.<br>Sec. 24: SE¼NW¼<br>Sec. 25: SW¼SE¼ | 80.00 | W-64236<br><br>Effective 8-1-78<br><br>Expires 7-31-88 | U.S.A. (12.5%) | - All | Energetics Operating Company | 100% | Production payment of 66 2/3% of 5% of market value of production up to $3,000 per acre to E. J. Puroll<br>3 Production payment of 33 1/3% of 5% of market value of production up to $3,000 per acre Melbourne Concept Profit Sharing Trust | | Energetics Operating Company | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|---|---|
| 29 | **T30N-R110W, 6th P.M.**<br>Sec. 10: Lot 3<br>Sec. 12: Lots 6, 7, 8, SE¼SE¼<br>Sec. 15: Lot 9, bed of river riparian to Lot 9<br>Sec. 22: Lot 1, bed of river riparian to Lot 1<br>Sec. 29: Lot 7<br>Sec. 30: Lot 7<br><br>**T31N-R110W, 6th P.M.**<br>Sec. 34: Lot 8, bed of river riparian to Lot 8 | 224.86 | W-65295<br>Effective 12-1-78<br>Expires 11-30-88 | U.S.A. (12.5%) | - All | Dorothy J. Scribner | 100% | None | Dorothy J. Scribner 100% |
| 30 | **T30N-R110W, 6th P.M.**<br>Sec. 19: Lots 1, 2, 3, 4, N½NE¼ E½W½<br>Sec. 28: Lot 5<br>Sec. 29: Lots 1, 2, 3, 4, 5, 6, E½SW¼, SE¼<br>Sec. 30: Lots 3, 4, 10, 11, NE¼NW¼ | 965.79 | W-70457<br>Effective 8-1-80<br>Expires 7-31-90 | U.S.A. (12.5%) | - All | Walter M. Mack, Trustee | 100% | None | Walter M. Mack, Trustee 100% |
| 31 | **T30N-R111W, 6th P.M.**<br>Sec. 24: SW¼NW¼, NW¼SW¼ | 80.00 | W-72847<br>Effective 11-1-81<br>Expires 10-31-91 | U.S.A. (12.5%) | - All | George B. Broome | 100% | None | George B. Broome 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|---|---|
| 32 | T33N-R111W, 6th P.M.<br>Sec. 7: Lots 1, 2, 3, 4, E½W½<br>Sec. 18: Lots 3, 4, E½SW¼<br>Sec. 19: Lots 1, 2, 3, 4, E½W½<br>Sec. 30: Lots 1, 2, 3, 4, E½W½<br>Sec. 31: Lots 1, 2, E½NW¼, NE¼SW¼ N½SE¼, SE¼SE¼ | 1436.48 | W-72848<br>Effective 9-1-81<br>Expires 8-31-91 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | 2 American Hunter Exploration Ltd. 1.9%<br>Production payment of 5% of market value of production up to $10,000 per acre to Caraway Production Properties | Shama-Kafar Limited Partnership 100% |
| 33 | T31N-R109W, 6th P.M.<br>Sec. 29: Bed of river riparian to Lots 3, 4, 7 | 9.38 | W-74288<br>Effective 5-1-82<br>Expires 4-30-92 | U.S.A. (12.5%) | - All | Bertram F. Rudolph, Jr. | 100% | None | Bertram F. Rudolph, Jr. 100% |
| 34 | T30N-R110W, 6th P.M.<br>Sec. 12: N½N½ | 160.00 | W-74296<br>Effective 2-1-82<br>Expires 1-31-92 | U.S.A. (12.5%) | - All | R. J. Schuck | 100% | None | R. J. Schuck 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 35 | T30N-R109W, 6th P.M.<br>Sec. 10: S½<br>Sec. 18: E½ | 640.00 | W-74905<br><br>Effective 5-1-78<br><br>Expires 4-30-88 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | 2 Opal Barton<br>American Hunter Exploration Ltd. | 5%<br>1% | Shama-Kafar Limited Partnership | 100% |
| 36 | T31N-R109W, 6th P.M.<br>Sec. 7: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, NW¼SE¼, S½SE¼<br>Sec. 18: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, E½<br>Sec. 20: E½NE¼, W½E½ W½, NE¼SE¼<br>Sec. 29: Lots 3, 4, 7 | 1804.15 | W-74906<br><br>Effective 5-1-78<br><br>Expires 4-30-88 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | 2 American Hunter Exploration Ltd. | 1% | Shama-Kafar Limited Partnership | 100% |
| 37 | T32N-R111W, 6th P.M.<br>Sec. 8: N½SE¼, SE¼SE¼<br>Sec. 9: S½<br>Sec. 10: S½SW¼ | 520.00 | W-83288<br><br>Effective 4-1-83<br><br>Expires 3-31-93 | U.S.A. (12.5%) | - All | Enstar Petroleum Company a division of Enstar Corporation<br>Sierra Energy Company<br>Thermal Exploration, Inc. | 50%<br>25%<br>25% | Bruce A. Blakemore | 5% | Enstar Petroleum Company a division of Enstar Corporation<br>Sierra Energy Company<br>Thermal Exploration, Inc. | 50%<br>25%<br>25% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 38 | T30N-R110W, 6th P.M.<br>Bed of the Green river riparian to:<br>Sec. 3: Lots 4, 5, 6, 7, 10<br>Sec. 9: Lots 2, 3, 5<br>Sec. 10: Lots 3,6<br>Sec. 15: Lots 1, 2, 3<br><br>T31N-R110W, 6th P.M.<br>Bed of the Green river riparian to:<br>Sec. 21: Lots 3, 4, 5, 6, 8<br>Sec. 27: Lot 4 | 130.47 | W-83879<br><br>Effective 4-1-83<br><br>Expires 3-31-93 | U.S.A. (12.5%) | - All | Walter T. Kees | 100% | Howell Roberts Spear<br>Scott Associates<br>Oil Properties | 2%<br><br>1% | Walter T. Kees | 100 |
| 39 | T30N-R111W, 6th P.M.<br>Sec. 4: Lots 1, 2, 3, S½N½, S½<br>Sec. 5: Lots 2, 3, 4 | 718.64 | W-85241<br><br>Effective 9-1-83<br><br>Expires 8-31-93 | U.S.A. (12.5%) | - All | Jon D. McMurtrie | 100% | None | | Jon D. McMurtrie | 100% |
| 40 | T31N-R111W, 6th P.M.<br>Sec. 17: All<br>Sec. 18: Lots 1, 2, 3, 4, E½W½, S½<br>Sec. 20: All<br>Sec. 21: All | 2556.16 | W-87031<br><br>Effective 3-1-84<br><br>Expires 2-28-94 | U.S.A. (12.5%) | - All | BWAB Incorporated<br>Robert Klabzuba<br>Frank A. Schultz | 56.25%<br>25%<br>18.75% | Chairman Oil Co.<br>BWAB Incorporated | 3.5%<br>.875% | BWAB Incorporated<br>Robert Klabzuba<br>Frank A. Schultz | 56.25%<br>25%<br>18.75% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 41 | T31N-R109W, 6th P.M.<br>Sec. 30: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12<br>Sec. 31: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, E½ | 1028.88 | W-88580<br>Effective 11-1-84<br>Expires 10-31-94 | U.S.A. (12.5%) | - All | Bernard I. Grosser | 100% | None | Bernard I. Grosser | 100% |
| 42 | T29N-R109W, 6th P.M.<br>Sec. 6: Lots 1, 2, 3, 4, 5, 6, 7, SE¼, S½NE¼, SE¼NW¼, E½SW¼<br>Sec. 8: All<br>Sec. 18: Lots 1, 2, 3, 4, E½W½, E½ | 1965.35 | W-90686<br>Effective 2-1-85<br>Expires 1-31-95 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | Thomas A. Galles .5126%<br>John B. Hall .3779%<br>EMC Energies, Inc. 4%<br>Virginia F. VanDeventer .1095% | HPC, Inc. | 100% |
| 43 | T33N-R111W, 6th P.M.<br>Sec. 11: N½NW¼<br>Sec. 18: Lots 1, 2, E½NW¼<br>Sec. 22: N½, SW¼, W½SE¼<br>Sec. 27: NW¼NE¼, S½NE¼, W½, SE¼<br>Sec. 30: NE¼<br>Sec. 32: NW¼NW¼<br>Sec. 35: E½ | 1918.84 | W-90696<br>Effective 2-1-85<br>Expires 1-31-95 | U.S.A. (12.5%) | - All | First Interstate Bank of Casper, Trustee for the Roy H. Guess Trust | 100% | Richard P. Swirczynski 1% | First Interstate Bank of Casper, Trustee for the Roy H. Guess Trust | 100% |
| 44 | T30N-R109W, 6th P.M.<br>Sec. 3: Lots 2, 3, SW¼NE¼, N½SE¼<br>Sec. 29: All<br>Sec. 31: Lots 1, 2, 3, 4, E½W½, E½ | 1508.38 | W-92704<br>Effective 7-1-85<br>Expires 6-30-95 | U.S.A. (12.5%) | - All | Conoco Inc. | 100% | None | Conoco Inc. | 100% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 45 | **T30N-R111W, 6th P.M.**<br>Sec. 4: Lot 4<br>Sec. 5: Lot 1<br><br>**T31N-R111W, 6th P.M.**<br>Sec. 2: SW¼SW¼<br>Sec. 11: NW¼NW¼<br>Sec. 13: SW¼SW¼<br>Sec. 15: SE¼SE¼<br>Sec. 22: NE¼NE¼<br>Sec. 23: NW¼NW¼<br>Sec. 32: SE¼SE¼<br>Sec. 33: SW¼SW¼ | 400.03 | W-92714<br><br>Effective 6-1-85<br><br>Expires 5-31-95 | U.S.A. (12.5%) | - All | Blackbird Company | 100% | None | Blackbird Company | 10[illegible] |
| 46 | **T31N-R111W, 6th P.M.**<br>Sec. 9: NE¼NE¼<br>Sec. 19: Lot 4 | 79.27 | W-92715<br><br>(Not yet issued) | U.S.A. (12.5%) | - All | Unleased | 100% | None | Unleased | 100% |
| 47 | **T31N-R110W, 6th P.M.**<br>Sec. 4: Lots 1, 2, 3, S½NE¼, SE¼NW¼ E½SW¼, SE¼<br>Sec. 9: NE¼, E½NW¼, N½SE¼, SE¼SE¼<br>Sec. 15: W½NW¼, E½SW¼, S½SE¼<br>Sec. 22: E½, E½NW¼<br>Sec. 27: E½<br>Sec. 34: NE¼, E½SE¼ | 2037.36 | W-93516<br><br>Effective 8-1-85<br><br>Expires 7-31-95 | U.S.A. (12.5%) | - All | Daniel Wolf | 100% | None | Daniel Wolf | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 48 | T32N-R110W, 6th P.M.<br>Sec. 6: Lots 2, 3, 4, 5, SE¼SW¼, SW¼SE¼<br>Sec. 7: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 18: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 19: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 20: All<br>Sec. 21: W½W½<br>Sec. 28: W½NW¼, NW¼SW¼ | 2864.60 | W-93517<br>Effective 8-1-85<br>Expires 7-31-95 | U.S.A. (12.5%) | - All | Shoreline Petroleum Company, L. P. | 100% | Frank G. Wells | 3% | Shoreline Petroleum Company, L. P. | 100% |
| 49 | T31N-R110W, 6th P.M.<br>Sec. 6: E½SW¼<br>Sec. 7: NE¼SW¼<br>Sec. 17: E½SE¼<br>Sec. 18: Lots 2, 3, 4, SE¼NW¼, E½SW¼, W½SE¼, SE¼SE¼<br>Sec. 20: NW¼NW¼, S½NW¼, SW¼, W½SE¼<br>Sec. 28: SW¼NW¼, SW¼SW¼<br>Sec. 29: All<br>Sec. 33: W½ | 1932.41 | W-97288<br>Effective 1-1-86<br>Expires 12-31-95 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | None | | Shama-Kafar Limited Partnership | 100% |
| 50 | T30N-R110W, 6th P.M.<br>Sec. 9: Lot 5<br>Sec. 12: Lot 5 | 39.42 | W-100298<br>Effective 8-1-86<br>Expires 7-31-96 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | None | | Shama-Kafar Limited Partnership | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 51 | T33N-R111W, 6th P.M.<br>Sec. 15: All<br>Sec. 17: NE¼NE¼, S½NE¼, SE¼<br>Sec. 20: NE¼, NE¼NW¼, S½NW¼, S½<br>Sec. 21: All<br>Sec. 28: E½ | 2480.00 | W-100302<br>Effective 8-1-86<br>Expires 7-31-96 | U.S.A. (12.5%) | - All | L. M. Grace, Jr. | 100% | None | | L. M. Grace, Jr. | 100% |
| 52 | T33N-R112W, 6th P.M.<br>Sec. 11: All<br>Sec. 12: All | 1280.00 | W-100303<br>Effective 8-1-86<br>Expires 7-31-96 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | None | | Shama-Kafar Limited Partnership | 100% |
| 53 | T31N-R110W, 6th P.M.<br>Sec. 6: Lots 1, 2, 3, 4, 5, 6, 7, SW¼NE¼, SE¼NW¼, W½SE¼<br>Sec. 7: Lots 1, 2, W½NE¼, E½ NW¼, SE¼<br>Sec. 17: NW¼<br>Sec. 18: NE¼NE¼<br><br>T31N-R111W, 6th P.M.<br>Sec. 1: Lots 1, 2, S½NE¼, SE¼<br>Sec. 12: NE¼NE¼ | 1344.66 | W-101774<br>Effective 11-1-86<br>Expires 10-31-96 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | Liberty Petroleum Corporation | 4% | Shama-Kafar Limited Partnership | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 54 | T32N-R110W, 6th P.M.<br>Sec. 30: Lots 1, 2, 3, 4, E½W½, E½ | 601.21 | W-101775<br>Effective 10-1-86<br>Expires 9-30-96 | U.S.A. (12.5%) | - All | R. K. O'Connell | 100% | None | R. K. O'Connell | 100% |
| 55 | T33N-R110W, 6th P.M.<br>Sec. 29: All<br>Sec. 32: All | 1280.00 | W-101776<br>Effective 10-1-86<br>Expires 9-30-96 | U.S.A. (12.5%) | - All | Allen H. Dewees | 100% | None | Allen H. Dewees | 100% |
| 56 | T32N-R111W, 6th P.M.<br>Sec. 5: Lots 1, 2<br>Sec. 8: NE¼, N½NW¼, SE¼NW¼, NE¼SW¼<br>Sec. 9: E½NE¼<br>Sec. 10: W½NE¼, NW¼, N½SW¼<br>Sec. 15: W½, W½SE¼<br>Sec. 17: NE¼NE¼<br>Sec. 19: Lots 1, 2, 3, 4, E½, E½W½<br>Sec. 20: SW¼NW¼, SW¼, SW¼SE¼<br>Sec. 22: NE¼, N½SE¼, SE¼SE¼<br>Sec. 26: NW¼NW¼, SE¼NW¼ | 2444.34 | W-101779<br>(Not yet issued) | U.S.A. (12.5%) | - All | Rutter Enterprises | 100% | None | Rutter Enterprises | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 57 | T32N-R111W, 6th P.M.<br>Sec. 29: All<br>Sec. 30: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 31: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 32: All | 2541.12 | W-101780<br>Effective 11-1-86<br>Expires 10-31-96 | U.S.A. (12.5%) | - All | Rutter Enterprises | 100% | None | Rutter Enterprises | 100% |
| 58 | T31N-R111W, 6th P.M.<br>Sec. 6: Lots 1, 2, 3, 4, 5, 6, 7, S½NE¼, SE¼NW¼, E½SW¼ SE¼<br>Sec. 7: Lots 1, 2, 3, 4, E½W½, E½ | 1271.44 | W-102772<br>Effective 12-1-86<br>Expires 11-30-96 | U.S.A. (12.5%) | - All | [2]Howell Roberts Spear | 100% | None | Howell Roberts Spear | 100% |
| 59 | T32N-R111W, 6th P.M.<br>Sec. 11: All<br>Sec. 13: All<br>Sec. 14: All | 1920.00 | W-102773<br>(Not yet issued) | U.S.A. (12.5%) | - All | Liberty Petroleum Corporation | 100% | None | Liberty Petroleum Corporation | 100 |
| 60 | T32N-R111W, 6th P.M.<br>Sec. 23: All<br>Sec. 24: All<br>Sec. 25: E½, E½NW¼, SW¼SW¼<br>Sec. 26: NE¼NW¼, S½SE¼<br>Sec. 33: W½<br>Sec. 35: NE¼NE¼ | 2200.00 | W-102774<br>(Not yet issued) | U.S.A. (12.5%) | - All | [3]Unleased | 100% | None | Unleased | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 61 | T33N-R111W, 6th P.M.<br>Sec. 8: SE¼NE¼, E½SE¼<br>Sec. 9: All<br>Sec. 10: All<br>Sec. 11: SW¼SW¼<br>Sec. 14: W½W½<br>Sec. 28: W½<br>Sec. 29: All | 2560.00 | W-102775<br><br>(Not yet issued) | U.S.A. (12.5%) | - All Liberty Petroleum Corporation 100% | None | Liberty Petroleum Corporation 100% |
| 62 | T33N-R111W, 6th P.M.<br>Sec. 22: E½SE¼<br>Sec. 27: NE¼NE¼<br>Sec. 30: SE¼<br>Sec. 31: NE¼<br>Sec. 32: E½, NE¼NW¼, S½NW¼, N½SW¼<br>Sec. 33: All<br>Sec. 34: All | 2240.00 | W-102776<br><br>Effective 12-1-86<br><br>Expires 11-30-96 | U.S.A. (12.5%) | - All 2Howell Roberts Spear 100% | None | Howell Roberts Spear 100% |
| 63 | T29N-R109W, 6th P.M.<br>Sec. 3: S½SW¼, SE¼<br>Sec. 7: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 11: All<br>Sec. 17: All | 2184.81 | W-102895<br><br>Effective 10-1-77<br><br>Expires 9-26-88 | U.S.A. (12.5%) | - All HPC, Inc. 100% | Berkshire Oil Properties 5%<br>7 John Masek .5% | HPC, Inc. 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 64 | T29N-R109W, 6th P.M.<br>Sec. 20: All<br>Sec. 21: All<br>Sec. 28: All | 1920.00 | W-102896<br><br>Effective 10-1-77<br><br>Expires 9-26-88 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | El Barco Corporation 1.56%<br>Leslie J. and Barbara J. Rodman 1%<br>Donald L. Parnell 1%<br>Carlos Davis .72%<br>Luisa Davis .72%<br>John Masek .5% | HPC, Inc. | 100% |
| 65 | T29N-R109W, 6th P.M.<br>Sec. 26: All<br>Sec. 27: All | 1280.00 | W-102897<br><br>Effective 10-1-77<br><br>Expires 9-26-88 | U.S.A. (12.5%) | - All | HPC, Inc. | 100% | Raymond N. Joeckel 4%<br>Mary C. Joeckel 1% | HPC, Inc. | 100% |
| 66 | T31N-R110W, 6th P.M.<br>Sec. 15: NE¼, E½NW¼, N½SE¼<br>Sec. 26: All<br>Sec. 28: NW¼SW¼<br>Sec. 35: All | 1640.00 | W-103504<br><br>Effective 4-1-87<br><br>Expires 3-31-97 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | None | Shama-Kafar Limited Partnership | 100% |
| 67 | T33N-R110W, 6th P.M.<br>Sec. 17: All | 640.00 | W-103505<br><br>Effective 2-1-87<br><br>Expires 1-31-97 | U.S.A. (12.5%) | - All | Fossil Associates | 100% | None | Fossil Associates | 100% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 68 | T32N-R111W, 6th P.M.<br>Sec. 18: Lots 3, 4, SE¼SW¼<br><br>T32N-R112W, 6th P.M.<br>Sec. 12: SE¼SW¼ | 154.73 | W-103512<br><br>Effective 8-1-87<br><br>Expires 7-31-97 | U.S.A. (12.5%) | - All | Shama-Kafar Limited Partnership | 100% | None | Shama-Kafar Limited Partnership | 100% |
| 69 | T32N-R111W, 6th P.M.<br>Sec. 6: Lots 1, 2<br>Sec. 7: Lot 1 NE¼NW¼, N½NE¼<br><br>T33N-R112W, 6th P.M.<br>Sec. 24: All<br>Sec. 25: All | 1458.32 | W-104213<br><br>(Not yet issued) | U.S.A. (12.5%) | - All | Liberty Petroleum Corporation | 100% | None | Liberty Petroleum Corporation | 100% |
| 70 | T33N-R110W, 6th P.M.<br>Sec. 7: Lots 1, 2, 3, 4, W½NE¼, E½W½ SE¼<br>Sec. 18: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 19: Lots 1, 2, 3, 4, E½W½, E½ | 1825.56 | W-104823<br><br>Effective 7-1-87<br><br>Expires 6-30-97 | U.S.A. (12.5%) | - All | Allen H. Dewees | 100% | None | Allen H. Dewees | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 71 | T32N-R111W, 6th P.M.<br>Sec. 1: Lots 1, 2, 3, 4, S½SE¼<br>Sec. 2: Lots 1, 2, 3, 4<br>Sec. 3: Lots 1, 2, 3, 4<br>Sec. 4: Lots 1, 2, 3, 4<br>Sec. 9: W½NE¼, NW¼<br>Sec. 10: E½NE¼, SE¼<br>Sec. 15: NE¼, E½SE¼<br><br>T33N-R110W, 6th P.M.<br>Sec. 31: Lots 1, 2, 3, 4, E½W½, E½ | 1924.38 | W-104824<br><br>Effective 7-1-87<br><br>Expires 6-30-97 | U.S.A. (12.5%) | - All | Abby Corporation | 100% | None | Abby Corporation | 10 |
| 72 | T31N-R111W, 6th P.M.<br>Sec. 3: Lots 1, 2, 3, 4, S½N½, SW¼, NW¼SE¼, S½SE¼<br>Sec. 4: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 5: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 8: All<br>Sec. 9: W½NE¼, SE¼NE¼, NW¼, S½<br>Sec. 10: N½, SE¼<br>Sec. 27: All | 4242.64 | W-104834<br><br>Effective 7-1-87<br><br>Expires 6-30-97 | U.S.A. (12.5%) | - All | Marvin E. Wolf | 100% | None | Marvin E. Wolf | 100 |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 73 | T33N-R111W, 6th P.M.<br>Sec. 7: E½<br>Sec. 8: SW¼NE¼, S½NW¼, SW¼, W½SE¼<br>Sec. 17: NW¼NE¼, W½<br>Sec. 18: E½<br>Sec. 19: E½<br>Sec. 20: NW¼NW¼ | 1720.00 | W-104835<br>Effective 7-1-87<br>Expires 6-30-97 | U.S.A. (12.5%) | - All | Abby Corporation | 100% | None | Abby Corporation | 100% |
| 74 | T32N-R112W, 6th P.M.<br>Sec. 11: SE¼SE¼<br>Sec. 13: NW¼NE¼, S½NE¼, W½, SE¼<br>Sec. 14: All | 1280.00 | W-104840<br>(Not yet issued) | U.S.A. (12.5%) | - All | Unleased | 100% | None | Unleased | 100% |
| 75 | T32N-R112W, 6th P.M.<br>Sec. 23: All<br>Sec. 24: All<br>Sec. 25: All<br>Sec. 26: All | 2560.00 | W-104841<br>Effective 7-1-87<br>Expires 6-30-97 | U.S.A. (12.5%) | - All | Melvin Wolf | 100% | None | Melvin Wolf | 100% |
| 76 | T32N-R112W, 6th P.M.<br>Sec. 11: SW¼NW¼, SW¼ SW¼SE¼ | 240.00 | W-104842<br>(Not yet issued) | U.S.A. (12.5%) | - All | Unleased | 100% | None | Unleased | 100% |
| 77 | T29N-R109W, 6th P.M.<br>Sec. 2: S½ | 320.00 | W-106157<br>(Not yet issued) | U.S.A. (12.5%) | - All | EMC Energies, Inc. | 100% | None | EMC Energies, Inc. | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 78 | T30N-R109W, 6th P.M.<br>Sec. 3: Lots 6, 7, NE¼NE¼<br>Sec. 18: Lots 1, 2, 3, 4, E½W½<br>Sec. 34: All<br>Sec. 35: All | 1697.25 | W-106160<br>(Not yet issued) | U.S.A. (12.5%) | - All | Gilman A. Hill | 100% | None | Gilman A. Hill | 100 |
| 79 | T30N-R110W, 6th P.M.<br>Sec. 10: NE¼NE¼ | 40.00 | W-106163<br>(Not yet issued) | U.S.A. (12.5%) | - All | Gilman A. Hill | 100% | None | Gilman A. Hill | 100% |
| 80 | T31N-R111W, 6th P.M.<br>Sec. 3: NE¼SE¼<br>Sec. 12: NW¼NE¼ | 80.00 | Unleased (NOL) | U.S.A. (12.5%) | - All | Unleased | 100% | None | Unleased | 100% |
| 81 | T29N-R110W, 6th P.M.<br>Sec. 2: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 3: Lots 1, 2, 3, 4, S½N½, S½<br>Sec. 11: All<br><br>T30N-R109W, 6th P.M.<br>Sec. 3: Lot 1, SE¼SE¼ SE¼NE¼<br>Sec. 5: bed of river riparian to Lots 2 and 5<br>Sec. 6: Lots 7, 14 E½SW¼, N½SE¼ | 28,798.01 | Unleased | U.S.A. | - All | Unleased | 100% | None | Unleased | 100% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| | Sec. 7: Lots 7, 8, 9, 10, 11 12, 13, SE¼, bed of river riparian to Lots 7, 8, 9, 10, 11 | | | | | | |
| | Sec. 8: Lots 1, 5, SE¼NE¼, S½, bed of river riparian to Lots 1, 5, 6, 7 | | | | | | |
| | Sec. 9: All | | | | | | |
| | Sec. 10: N½ | | | | | | |
| | Sec. 17: N½ | | | | | | |
| | Sec. 25: N½ | | | | | | |
| | T30N-R110W, 6th P.M. | | | | | | |
| | Sec. 1: Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, S½SE¼ | | | | | | |
| | Sec. 2: Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 | | | | | | |
| | Sec. 3: Lots 3, 4, 5, 6, 7, 10, 11, 12, 13, 14 | | | | | | |
| | Sec. 4: Lots 3, 4, S½NW¼, SW¼, W½SE¼ | | | | | | |
| | Sec. 5: Lots 1, 2, 3, 4, S½N½, S½ | | | | | | |
| | Sec. 9: Lots 2, 3, W½ | | | | | | |
| | Sec. 10: Lot 6 | | | | | | |
| | Sec. 11: bed of river riparian to Lots 2, 3, 4 | | | | | | |
| | Sec. 12: bed of river riparian to Lots 5, 6, 7, 8 | | | | | | |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| | Sec. 13: bed of river riparian to Lot 1 | | | | | | |
| | Sec. 14: bed of river riparian to Lots 1, 4, 5, 7 | | | | | | |
| | Sec. 15: Lot 1 | | | | | | |
| | Sec. 16: bed of river riparian to Lots 1, 2 | | | | | | |
| | Sec. 21: bed of river riparian to Lots 2, 3, 5 | | | | | | |
| | Sec. 27: bed of river riparian to Lot 3 | | | | | | |
| | Sec. 28: bed of river riparian to Lots 5, 6, 7, 8, 9 | | | | | | |
| | Sec. 29: bed of river ripararian to Lots 1, 2, 3, 4, 5, 6, 7 | | | | | | |
| | Sec. 30: bed of river ripararian to Lot 7 | | | | | | |
| | Sec. 34: SW¼NE¼, S½NW¼, S½ | | | | | | |
| | **T30N-R111W, 6th P.M.** | | | | | | |
| | Sec. 5: S½N½, S½ | | | | | | |
| | Sec. 13: E½, NE¼NW¼, S½NW¼, SW¼ | | | | | | |
| | Sec. 14: All | | | | | | |
| | Sec. 15: All | | | | | | |
| | Sec. 22: All | | | | | | |
| | Sec. 23: All | | | | | | |
| | Sec. 24: E½, N½NW¼, NE¼SW¼, S½SW¼ | | | | | | |
| | Sec. 25: E½E½, W½NE¼, W½, NW¼SE¼ | | | | | | |
| | **T31N-R109W, 6th P.M.** | | | | | | |
| | Sec. 7: NE¼, NE¼SE¼ | | | | | | |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|

Sec. 32: bed of river
riparian to Lot 5
Sec. 33: bed of river
riparian to Lots 4, 7

T31N-R110W, 6th P.M.
Sec. 1: Lots 1, 2, 3, 4, S½N½, S½
Sec. 2: Lots 1, 2, 3, 4, S½N½, S½
Sec. 3: Lots 1, 2, 3, 4, S½N½, S½
Sec. 10: All
Sec. 11: All
Sec. 12: N½
Sec. 21: Lots 3, 4, 5 6, 8, NW¼NW¼, S½NW¼, NE¼SW¼, W½SE¼
Sec. 27: Lot 4
Sec. 28: NW¼NE¼

T31N-R111W, 6th P.M.
Sec. 10: SW¼
Sec. 14: E½, SE¼NW¼, SW¼
Sec. 15: N½NE¼, SW¼NE¼, SW¼, N½SE¼, SW¼SE¼
Sec. 22: NW¼NE¼, S½NE¼, W½, SE¼
Sec. 23: E½, E½NW¼, SW¼NW¼, SW¼
Sec. 26: All

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| | **T32N-R110W, 6th P.M.** | | | | | | |
| | Sec. 31: Lots 1, 2, 3, 4, E½, E½W½ | | | | | | |
| | Sec. 32: N½NE¼, SW¼NE¼ NW¼, N½SW¼, SW¼SW¼ | | | | | | |
| | **T32N-R111W, 6th P.M.** | | | | | | |
| | Sec. 12: All | | | | | | |
| | Sec. 21: NE¼NE¼ | | | | | | |
| | Sec. 22: NW¼ | | | | | | |
| | Sec. 28: S½NW¼, SW¼, W½SE¼, SE¼SE¼ | | | | | | |
| | Sec. 33: E½ | | | | | | |
| | Sec. 34: W½, W½SE¼, SE¼SE¼ | | | | | | |
| | **T33N-R110W, 6th P.M.** | | | | | | |
| | Sec. 20: All | | | | | | |
| | **T32N-R111W, 6th P.M.** | | | | | | |
| | Sec. 11: S½NW¼, N½SW¼ SE¼SW¼ | | | | | | |
| | Sec. 14: E½W½ | | | | | | |
| | Sec. 23: All | | | | | | |
| | Sec. 24: All | | | | | | |
| | Sec. 25: All | | | | | | |
| | Sec. 26: All | | | | | | |
| | Sec. 32: S½SW¼ | | | | | | |
| | **T33N-R112W, 6th P.M.** | | | | | | |
| | Sec. 13: All | | | | | | |
| | Sec. 14: All | | | | | | |
| | Sec. 23: All | | | | | | |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 82 | **T30N-R110W, 6th P.M.**<br>Sec. 7: Lots 1, 2, 3, 4, E½W½, E½<br>Sec. 8: All<br>Sec. 17: All<br>Sec. 18: Lots 1, 2, 3, 4, E½W½, E½ | 2514.48 | W-60127<br>Effective 9-1-77<br>Expires 8-31-89 | U.S.A. (12.5%) - All | Shama-Kafar Limited Partnership 100% | Fina Oil and Chemical Company 5% | Shama-Kafar Limited Partnership 100% |
| | 82 FEDERAL TRACTS TOTALING 150,367.39 ACRES OR 83.08% OF UNIT AREA | | | | | | |
| | **STATE LANDS:** | | | | | | |
| 83 | **T31N-R110W, 6th P.M.**<br>Sec. 8: E½NW¼ | 80.00 | 82-289<br>Effective 3-2-82<br>Expires 3-1-92 | State of Wyoming-- All (16.67%) | Chevron U.S.A., Inc. 100% | Patrick G. Green 1.8%<br>Fairway Exploration Company, Inc. .2% | Chevron U.S.A., Inc. 100% |
| 84 | **T30N-R109W, 6th P.M.**<br>Sec. 16: All | 640.00 | 83-122<br>Effective 2-2-83<br>Expires 2-1-88 | State of Wyoming-- All (16.67%) | Bonnie M. Re 100% | None | Bonnie M. Re 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 85 | T31N-R111W, 6th P.M.<br>Sec. 16: W½ | 320.00 | 84-945<br><br>Effective<br>12-2-84<br><br>Expires<br>12-1-89 | State of Wyoming-- All<br>(16.67%) | Maurice W. Brown 100% | None | Maurice W. Brown 100% |
| 86 | T33N-R111W, 6th P.M.<br>Sec. 16: All | 640.00 | 85-613<br><br>Effective<br>10-2-85<br><br>Expires<br>10-1-90 | State of Wyoming-- All<br>(16.67%) | Shama-Kafar Limited Partnership 100% | None | Shama-Kafar Limited Partnership 100% |
| 87 | T33N-R111W, 6th P.M.<br>Sec. 36: All | 640.00 | 85-614<br><br>Effective<br>10-2-85<br><br>Expires<br>10-1-90 | State of Wyoming-- All<br>(16.67%) | Shama-Kafar Limited Partnership 100% | None | Shama-Kafar Limited Partnership 100% |
| 88 | T32N-R111W, 6th P.M.<br>Sec. 16: All | 640.00 | 86-367<br><br>Effective<br>8-2-86<br><br>Expires<br>8-1-91 | State of Wyoming-- All<br>(16.67%) | Shama-Kafar Limited Partnership 100% | None | Shama-Kafar Limited Partnership 100% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 89 | T32N-R111W, 6th P.M.<br>Sec. 36: All | 640.00 | 86-368<br><br>Effective 8-2-86<br><br>Expires 8-1-91 | State of Wyoming-- All (16.67%) | Shama-Kafar Limited Partnership 100% | None | Shama-Kafar Limited Partnership 100% |
| 90 | T30N-R110W, 6th P.M.<br>Sec. 16: Lots 1, 2, W½, W½E½, E½NE¼, NE¼SE¼ | 636.61 | 87-144<br><br>Effective 4-2-87<br><br>Expires 4-1-92 | State of Wyoming-- All (16.67%) | Shama-Kafar Limited Partnership 100% | None | Shama-Kafar Limited Partnership 100% |
| 91 | T30N-R110W, 6th P.M.<br>Sec. 22: Lot 8<br>Sec. 23: Lot 2<br>Sec. 36: All | 716.49 | 87-347<br><br>Effective 8-2-87<br><br>Expires 8-1-92 | State of Wyoming-- All (16.67%) | Gilman A. Hill 100% | None | Gilman A. Hill 100% |
| 92 | T31N-R111W, 6th P.M.<br>Sec. 36: N½, SE¼ | 480.00 | 87-349<br><br>Effective 8-2-87<br><br>Expires 8-1-92 | State of Wyoming-- All (16.67%) | Gilman A. Hill 100% | None | Gilman A. Hill 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 93 | T29N-R109W, 6th P.M.<br>Sec. 16: All<br><br>T30N-R110W, 6th P.M.<br>Sec. 22: bed of river riparian to Lot 8<br>Sec. 23: bed of river riparian to Lot 2<br><br>T31N-R110W, 6th P.M.<br>Sec. 15: W½SW¼<br>Sec. 36: All<br><br>T31N-R111W, 6th P.M.<br>Sec. 11: NE¼NW¼<br>Sec. 16: E½<br><br>T32N-R110W, 6th P.M.<br>Sec. 21: W½NE¼, E½W½, SE¼SE¼<br>Sec. 28: E½NW¼, NE¼SW¼, SW¼SW¼<br>Sec. 32: N½SE¼<br>Sec. 33: NW¼NW¼<br><br>T32N-R111W, 6th P.M.<br>Sec. 34: NE¼SE¼ | 2329.09 | Unleased | State of Wyoming-- All (16.67%) | Unleased 100% | None | Unleased 10 |

11 STATE TRACTS TOTALING 7,762.19 ACRES OR 4.29% OF UNIT AREA

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **PATENTED LANDS:** | | | | | | | | | | |
| 94 | **T31N-R111W, 6th P.M.**<br>Secs. 1 and 12:<br>a tract of land in NE¼NW¼, Sec. 12 and in SE¼SW¼, Sec. 1 desc. in M & B in BK 6 of warranty deeds Pg 306, containing 2 acres, more or less | 2.00 | Unleased | Victor E. & Josephine A. Mack, h/w | 100% | Unleased | 100% | None | | Unleased | 100% |
| 95 | **T33N-R110W, 6th P.M.**<br>Sec. 7: SE¼NE¼ | 40.00 | Unleased | Charles Clayton Price and DeAnne B. Price | 50% | Unleased | 100% | None | | Unleased | 50% |
| | | | Unleased | Rex Allen Redfern | 16.67% | Unleased | 100% | None | | Unleased | 16.67% |
| | | | Unleased | Debra Kay Randall | 16.67% | Unleased | 100% | None | | Unleased | 16.67% |
| | | | Unleased | Ronald Ray Randall | 16.66% | Unleased | 100% | None | | Unleased | 16.66% |

166

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| 96 | T33N-R110W, 6th P.M.<br>Sec. 7: NE¼NE¼ | 40.00 | Unleased | Albert E. Schwabacher, Jr., individually, and as co-trustee of two testamentary trusts under the will of Albert E. Schwabacher and as co-trustee of two testamentary trusts under the will of May K. Schwabacher 14.0028% | Unleased 100% | None | Unleased 14.002 |
| | | | Unleased | John L. Schwabacher, individually and as co-trustee of two testamentary trusts under the will of Albert E. Schwabacher, and as co-trustee of two 14.0028% | Unleased 100% | None | Unleased 14.0028% |

191

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| | | | | testamentary trusts under the will of May K. Schwabacher | | | |
| | | | Unleased | Gail Sokolow Goldyne, individually and as co-trustee of two testamentary trusts under the will of May K. Schwabacher* 6.9972% | Unleased 100% | None | Unleased 6.9972% |
| | | | Unleased | Ann Sokolow Levine, individually and as co-trustee of two testamentary trusts under the will of May K. Schwabacher* 6.9972% | Unleased 100% | None | Unleased 6.9972% |
| | | | Unleased | M.B. Rudman* 8.0000% | Unleased 100% | None | Unleased 8.0000% |
| | | | Unleased | Grace P. Adams* 18.7500% | Unleased 100% | None | Unleased 18.7500% |

89/

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unleased | Elizabeth Graham* | 12.5000% | Unleased | 100% | None | | Unleased | 12.5 |
| | | | Unleased | David L. Graham* | 6.2500% | Unleased | 100% | None | | Unleased | 6.2500% |
| | | | Unleased | Margaret Kent, individually and as Executrix of the Estate of Fannie E. Taylor* | 12.5000% | Unleased | 100% | None | | Unleased | 12.5000% |
| 97 | T33N-R111W, 6th P.M.<br>Sec. 8: NE¼NW¼, N½NE¼ | 120.00 | Unleased | John D. Newcomb | 11.5% | Unleased | 100% | None | | Unleased | 11.5 |
| | | | Unleased | Thomas Sanford | 6.75% | Unleased | 100% | None | | Unleased | 6.75% |
| | | | Unleased | Deborah Sanford | 6.75% | Unleased | 100% | None | | Unleased | 6.75% |
| | | | Unleased | John W. Ball | 8.3333% | Unleased | 100% | None | | Unleased | 8.3333% |
| | | | Unleased | Nell Ball Bischoff | 8.3333% | Unleased | 100% | None | | Unleased | 8.3333% |
| | | | Unleased | Helen Ball LaBass | 8.3333% | Unleased | 100% | None | | Unleased | 8.3333 |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unleased | Estate of Bryan Ball | 8.3333% | Unleased | 100% | None | Unleased | 8.3333% |
| | | | Unleased | Caroline Ball Arthur | 8.3333% | Unleased | 100% | None | Unleased | 8.3333% |
| | | | Unleased | Carolyn C. Ball | 8.3333% | Unleased | 100% | None | Unleased | 8.3333% |
| | | | Unleased | James W. Jenkins | 12.5% | Unleased | 100% | None | Unleased | 12.5% |
| | | | Unleased | James E. Kemp | 12.5% | Unleased | 100% | None | Unleased | 12.5% |
| 98 | T33N-R111W, 6th P.M. Sec. 8: NW¼NW¼ | 40.00 | Unleased | John D. Newcomb | 23% | Unleased | 100% | None | Unleased | 23% |
| | | | Unleased | Thomas Sanford | 13.5% | Unleased | 100% | None | Unleased | 13.5% |
| | | | Unleased | Deborah Sanford | 13.5% | Unleased | 100% | None | Unleased | 13.5% |
| | | | Unleased | John W. Ball | 8.3334% | Unleased | 100% | None | Unleased | 8.3334% |
| | | | Unleased | Nell Ball Bischoff | 8.3333% | Unleased | 100% | None | Unleased | 8.3333% |
| | | | Unleased | Helen Ball LaBass | 8.3333% | Unleased | 100% | None | Unleased | 8.3333% |
| | | | Unleased | Bryan Ball | 8.3333% | Unleased | 100% | None | Unleased | 8.3333% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unleased | Caroline Ball Arthur | 8.3333% | Unleased | 100% | None | | Unleased | 8.333 |
| | | | Unleased | Carolyn C. Ball | 8.3333% | Unleased | 100% | None | | Unleased | 8.3333% |
| 99 | T32N-R110W, 6th P.M.<br>Sec. 6: Lot 1, SE¼SE¼ | 59.31 | Unleased | Albert P. Sommers and Verla M. Sommers | 62.5% | Unleased | 100% | None | | Unleased | 62.5% |
| | | | Unleased | John F. Sommers and Marilyn Sommers | 12.5% | Unleased | 100% | None | | Unleased | 12.5% |
| | | | Unleased | Martha J. Hittle | 12.5% | Unleased | 100% | None | | Unleased | 12.5% |
| | | | Unleased | Otto Jensen amd Florence Jensen | 12.5% | Unleased | 100% | None | | Unleased | 12.5% |
| 100 | T32N-R111W, 6th P.M.<br>Sec. 7: Lots 2,3,4, SE¼NW¼, E½SW¼, S½NE¼, SE¼<br>Sec. 8: SW¼NW¼, W½SW¼, SE¼SW¼, SW¼SE¼<br>Sec. 17: W½, W½E½, SE¼NE¼, E½SE¼ | 4021.91 | Unleased | Edith Barp | 10% | Unleased | 100% | None | | Unleased | 10% |
| | | | Unleased | Mary M. Meeks, as Trustee | 20% | Unleased | 100% | None | | Unleased | 20% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Sec. 18: Lots 1,2, E½, E½NW¼, NE¼SW¼<br>Sec. 20: NE¼, N½NW¼, SE¼NW¼, N½SE¼, SE¼SE¼<br>Sec. 21: W½, W½E½, SE¼NE¼, E½SE¼<br>Sec. 28: NW¼NE¼, N½NW¼ | | Unleased | Cornelia M. Jewett Robinson | 10% | Unleased | 100% | None | | Unleased | 10% |
| | | | Unleased | Joan R. Wilhite | 20% | Unleased | 100% | None | | Unleased | 20% |
| | | | Unleased | First National Bank of Laramie, Trustee | 5% | Unleased | 100% | None | | Unleased | 5% |
| | **T33N-R111W, 6th P.M.**<br>Sec. 31: Lots 3,4, SE¼SW¼, SW¼SE¼ | | | | | | | | | | |
| | **T32N-R112W, 6th P.M.**<br>Sec. 11: Lots 1,2,3, 4, SE¼NW¼, S½NE¼, N½SE¼<br>Sec. 12: Lots 1,2,3, 4, S½N½, N½SW¼, SW¼SW¼, SE¼<br>Sec. 13: NE¼NE¼ | | Effective 6-12-82<br>Expires 6-12-90 | Marian G. Pinson (12.5%) | 5% | Chevron, U.S.A. Inc. | 100.000% | ERC Industries, Inc. | 4.5% | Chevron, U.S.A. Inc. | 5% |
| | | | Effective 6-15-82<br>Expires 6-15-90 | Jackie Mae Martin (12.5%) | 2.5% | Chevron, U.S.A. Inc. | 100.000% | ERC Industries, Inc. | 4.5% | Chevron, U.S.A. Inc. | 2.5% |
| | | | Unleased | Barbara Gildea | 15% | Unleased | 100% | None | | Unleased | 15% |
| | | | Effective 6-15-82<br>Expires 6-15-90 | Sue L. O'Neill and Kevin Patrick O'Neill (12.5%) | 2.5% | Chevron, U.S.A. Inc. | 100.000% | ERC Industries, Inc. | 4.5% | Chevron, U.S.A. Inc. | 2.5% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|---|
| | | | Effective 5-24-82<br>Expires 5-24-90 | Evelyn G. Bennett (12.5%) | 5% | Chevron, U.S.A. Inc. 100.000% | ERC Industries, Inc. 4.5% | Chevron, U.S.A. Inc. 5% |
| | | | Effective 5-24-82<br>Expires 5-24-90 | Vernon Bennett and Linda Bennett (12.5%) | 1.6667% | Chevron, U.S.A. Inc. 100.000% | ERC Industries, Inc. 4.5% | Chevron, U.S.A. Inc. 1.6667% |
| | | | Effective 5-24-82<br>Expires 5-24-90 | Bobby Allen and Beverly Allen (12.5%) | 1.6667% | Chevron, U.S.A. Inc. 100.000% | ERC Industries, Inc. 4.5% | Chevron, U.S.A. Inc. 1.6667% |
| | | | Effective 5-24-82<br>Expires 5-24-90 | Tom Fury and Barbara Fury (12.5%) | 1.6666% | Chevron, U.S.A. Inc. 100.000% | ERC Industries, Inc. 4.5% | Chevron, U.S.A. Inc. 1.6666% |
| 101 | T31N-R110W. 6th P.M.<br>Sec. 4: Lot 4, SW¼NW¼<br>Sec. 5: Lots 1, 2, 3, 4, SE¼NE¼<br><br>T32N-R110W. 6th P.M.<br>Sec. 21: E½NE¼, NE¼SE¼, W½SE¼ | 1556.03 | Unleased | Doris B. Luman | 100.000% | Unleased | 100% None | Unleased 100.000% |

Exhibit "B"
New-Tech Unit Agreement

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| | Sec. 22: SW¼SW¼<br>Sec. 27: W½NW¼, NW¼SW¼<br>Sec. 28: E½, SE¼SW¼<br>Sec. 32: SE¼NE¼, SE¼SW¼, S½SE¼<br>Sec. 33: N½NE¼, SW¼NE¼, E½NW¼, SW¼NW¼, N½SW¼, SW¼SW¼, NW¼SE¼ | | | | | | |
| 102 | T32N-R111W, 6th P.M.<br>Sec. 22: SW¼, SW¼SE¼<br>Sec. 25: W½NW¼, N½SW¼, SE¼SW¼<br>Sec. 26: NE¼, N½SE¼, SE¼SW¼, N½SW¼, SW¼NW¼<br>Sec. 27: N½NE¼, W½<br>Sec. 28: E½NE¼, SW¼NE¼, NE¼SE¼ | 1360.00 | Unleased | Jewett Land and Livestock Company — 100% | Unleased — 100% | None | Unleased — 100% |
| 103 | T31N-R111W, 6th P.M.<br>Sec. 1: Lots 3,4, S½NW¼, SW¼, less 1.00 acre, more or less, in SE¼SW¼ of Sec. 1 desc. in M & B in Bk 6, Pg 306 | 2036.47 | Unleased | Ted C. Frome & Betty Frome, h/w — 25% | Unleased — 100% | None | Unleased — 25% |
| | | | Unleased | Doyle F. & Elaine C. Child, h/w — 25% | Unleased — 100% | None | Unleased — 25% |



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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Sec. 2: Lots 1,2,3, 4, SE¼NW¼, S½NE¼, SE¼, E½SW¼ | | Unleased | John D. Newcomb | 16% | Unleased | 100% | None | | Unleased | 1 |
| | Sec. 11: N½NE¼ | | Unleased | Richard L. Goodman | 14% | Unleased | 100% | None | | Unleased | 14 |
| | Sec. 12: N½NW¼, less 1.00 acre, more or less, in NE¼NW¼ of Sec. 12, desc. in M & B in #18 at Bk 6, Pg 306 | | Unleased | Thomas Sanford | 10% | Unleased | 100% | None | | Unleased | 10% |
| | | | Unleased | Deborah Sanford | 10% | Unleased | 100% | None | | Unleased | 10% |
| | T32N-R111W, 6th P.M. | | | | | | | | | | |
| | Sec. 26: SW¼SW¼ | | | | | | | | | | |
| | Sec. 27: S½NE¼, SE¼ | | | | | | | | | | |
| | Sec. 34: NE¼ | | | | | | | | | | |
| | Sec. 35: SE¼NE¼, W½NE¼, NW¼, S½ | | | | | | | | | | |
| 104 | T31N-R110W, 6th P.M. | 1868.35 | Unleased | Albert E. Schwabacher, Jr., individually, and as co-trustee of two testamentary trusts under the will of Albert E. Schwabacher and as co-trustee of two testamentary trusts under | 8.34% | Unleased | 100% | None | | Unleased | 8.34% |
| | Sec. 4: W½SW¼ | | | | | | | | | | |
| | Sec. 5: SW¼NE¼, S½, S½NW¼ | | | | | | | | | | |
| | Sec. 6: SE¼NE¼, E½SE¼ | | | | | | | | | | |
| | Sec. 7: E½NE¼ | | | | | | | | | | |
| | Sec. 8: E½, SW¼, W½NW¼ | | | | | | | | | | |
| | Sec. 9: W½NW¼, SW¼, SW¼SE¼ | | | | | | | | | | |
| | Sec. 16: Lots 1, 2, 3, NE¼NW¼, NE¼ | | | | | | | | | | |
| | together with all accretion & riparian rights thereto and | | | | | | | | | | |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | all right, title & interest to the bed of the Green River | | | the will of May K. Schwabacher | | | | | | | |
| | | | Unleased | John L. Schwabacher, individually and as co-trustee of two testamentary trusts under the will of Albert E. Schwabacher, and as co-trustee of two testamentary trusts under the will of May K. Schwabacher | 8.34% | Unleased | 100% | None | | Unleased | 8.34% |
| | | | Unleased | Gail Sokolow Goldyne, individually and as co-trustee of two testamentary trusts under the will of May K. Schwabacher* | 4.16% | Unleased | 100% | None | | Unleased | 4.16% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unleased | Ann Sokolow Levine, individually and as co-trustee of two testamentary trusts under the will of May K. Schwabacher* | 4.16% | Unleased | 100% | None | Unleased | 4.1c |
| | | | Unleased | William Bloom and Magdaline Bloom* | 25% | Unleased | 100% | None | Unleased | 25% |
| | | | Unleased | Higgins* Ranch, Inc. | 50% | Unleased | 100% | None | Unleased | 50% |
| 105 | T31N-R111W, 6th P.M.<br>Sec. 11: S½NE¼, SE¼<br>Sec. 12: S½N½, S½<br>Sec. 13: N½N½<br><br>T31N-R110W, 6th P.M.<br>Sec. 7: Lots 3,4, SE¼SW¼<br>Sec. 17: NW¼NE¼, S½NE¼, NE¼SW¼, SW¼SW¼ SW¼SE¼<br>Sec. 18: Lot 1, NE¼NW¼, NW¼NE¼, S½NE¼ NE¼SE¼<br>Sec. 20: NW¼NE¼, NE¼NW¼ | 1532.95 | Effective 4-16-80<br><br>Expires 4-16-90 | Mildred M. Miller (12.5%) | 50% | Chevron, U.S.A. Inc. | 100.000% | None | Chevron, U.S.A. Inc. | 50% |
| | | | Effective 4-16-80<br><br>Expires 4-16-90 | James M. Miller (12.5%) | 30% | Chevron, U.S.A. Inc. | 100.000% | None | Chevron, U.S.A. Inc. | 50% |
| | | | Effective 4-16-80 | Robert M. Miller, Jr. (12.5%) | 5% | Chevron, U.S.A. Inc. | 100.000% | None | Chevron, U.S.A. Inc. | 5% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Expires 4-16-90 | | | | | | | | |
| | | | Effective 4-16-80<br>Expires 4-16-90 | Kathleen Anne Miller (12.5%) | 5% | Chevron, U.S.A. Inc. | 100.000% | None | | Chevron, U.S.A. Inc. | 5% |
| | | | Effective 4-16-80<br>Expires 4-16-90 | Patricia Mildred Miller (12.5%) | 5% | Chevron, U.S.A. Inc. | 100.000% | None | | Chevron, U.S.A. Inc. | 5% |
| | | | Effective 4-16-80<br>Expires 4-16-90 | Mathew Daniel Miller (12.5%) | 5% | Chevron, U.S.A. Inc. | 100.000% | None | | Chevron, U.S.A. Inc. | 5% |
| 106 | T31N-R111W, 6th P.M.<br>Sec. 11: SW¼<br>Sec. 14: N½NW¼, SW¼NW¼<br>Sec. 15: NW¼, SE¼NE¼ | 480.00 | Unleased | Harry Leroy Smith | 19.6% | Unleased | 100% | None | | Unleased | 19.6% |
| | | | Unleased | Clara Yvonne Legg | 19.6% | Unleased | 100% | None | | Unleased | 19.6% |
| | | | Unleased | Robert Mack Smith | 19.6% | Unleased | 100% | None | | Unleased | 19.6% |
| | | | Unleased | Judith Ann Profit | 19.6% | Unleased | 100% | None | | Unleased | 19.6% |
| | | | Unleased | Federal Land Bank of Omaha | 19.6% | Unleased | 100% | None | | Unleased | 19.6% |



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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unleased | Rosalie E. Hockett* | 2% | Unleased | 100% | None | Unleased | 2% |
| 107 | T31N-R110W, 6th P.M.<br>Sec. 17: NE¼NE¼, NW¼SW¼, SE¼SW¼, NW¼SE¼ | 160.00 | Effective 8-17-87<br>Expires 8-17-88 | First National Bank of Omaha, Trustee for Nicholas Gordon Trist Burke, Harriott Burke Bandendistel, Jane Randolph Burke, Harriott Randolph Killebrew and Katherine Lee Killebrew | 100% | Gilman A. Hill | 100% | None | Gilman A. Hill | 100% |
| 108 | T31N-R110W, 6th P.M.<br>Sec. 16: Lot 6 together with all accretion & riparian rights thereto and all right, title & interest to the bed of the Green River | 51.65 | Unleased | Albert E. Schwabacher, Jr., individually, and as co-trustee of two testamentary trusts under the will of | 8.34% | Unleased | 100% | None | Unleased | 8.34% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Albert E. Schwabacher and as co-trustee of two testamentary trusts under the will of May K. Schwabacher | | | | | | | |
| | | | Unleased | John L. Schwabacher, individually and as co-trustee of two testamentary trusts under the will of Albert E. Schwabacher, and as co-trustee of two testamentary trusts under the will of May K. Schwabacher | 8.34% | Unleased | 100% | None | | Unleased | 8.34% |
| | | | Unleased | Gail Sokolow Goldyne, individually and as co-trustee of two | 4.16% | Unleased | 100% | None | | Unleased | 4.16% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | testamentary trusts under the will of May K. Schwabacher* | | | | | | | |
| | | | Unleased | Ann Sokolow Levine, individually and as co-trustee of two testamentary trusts under the will of May K. Schwabacher* | 4.16% | Unleased | 100% | None | | Unleased | 4.16% |
| | | | Unleased | William Bloom and Magdaline Bloom* | 25% | Unleased | 100% | None | | Unleased | 25% |
| | | | Unleased | Marincic Land and Livestock Company* | 50% | Unleased | 100% | None | | Unleased | 50% |
| 109 | T30N-R110W, 6th P.M.<br>Sec. 3: Lots 2,8,9 SW¼NE¼, SE¼NW¼, NE¼SW¼, W½SE¼<br>Sec. 4: Lots 1,2,5,6, 7, SW¼NE¼ | 2878.95 | Effective 8-22-86<br>Expires 8-22-91 | Marincic Land and Livestock Company* | 50% | Gas & Oil Management, Inc. | 100% | None | | Gas & Oil Management, Inc. | 50% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | Lessee of Record and Percentage | Overriding Royalty and Percentage | Working Interest and Percentage |
|---|---|---|---|---|---|---|---|
| | Sec. 9: Lots 1,4,6,7, W½SE¼ | | Effective 8-22-86 | Harvey Dean Luce 50% | Gas & Oil Management, Inc. 100% | None | Gas & Oil Management, Inc. 50% |
| | Sec. 10: Lots 1,2,4,5, NW¼NE¼, S½NE¼, E½W½, SE¼, less a tract desc. at Bk. 20, Pg. 536 of the records of Sublette County, Wyo. | | Expires 8-22-91 | | | | |
| | Sec. 15: NW¼NE¼, NE¼NW¼ | | | | | | |
| | T31N-R110W, 6th P.M. | | | | | | |
| | Sec. 16: Lots 4, 5, 7, 8, SW¼SW¼, NW¼SE¼, E½SE¼ | | | | | | |
| | Sec. 21: Lots 1, 2 7, 10 | | | | | | |
| | Sec. 22: Lots 1, 2 W½NW¼, E½SW¼ | | | | | | |
| | Sec. 27: Lots 1, 5, 6, 7, 8, 9, NE¼NW¼ | | | | | | |
| | Sec. 28: SE¼NE¼, E½SE¼ | | | | | | |
| | Sec. 33: SE¼ | | | | | | |
| | Sec. 34: Lots 1, 2, 4, 5, 6, 7, W½SE¼ | | | | | | |
| | together with all accretion & riparian right, title & | | | | | | |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | interest to the bed of the Green River | | | | | | | | | | |
| 110 | **T31N-R110W, 6th P.M.**<br>Sec. 20: E½NE¼, SW¼NE¼, E½SE¼<br>Sec. 21: Lot 9, W½SW¼, SE¼SW¼<br>Sec. 27: Lots 2, 3<br>Sec. 28: Lot 1, SW¼NE¼, N½NW¼, E½SW¼, W½SE¼, SE¼NW¼,<br>Sec. 33: NE¼<br>Sec. 34: Lot 3<br>together with all accretion & riparian right, title & interest to the bed of the Green River | 948.12 | Effective 8-25-86<br>Expires 8-25-91 | Gordon M. Mickelson and Margaret C. Mickelson | 50% | Gas & Oil Management, Inc. | 100% | None | | Gas & Oil Management, Inc. | 50% |
| | | | Effective 8-25-86<br>Expires 8-25-91 | Dan E. Chapel* | 50% | Gas & Oil Management, Inc. | 100% | None | | Gas & Oil Management, Inc. | 50% |
| 111 | **T31N-R109W, 6th P.M.**<br>Sec. 20: SE¼SE¼<br>Sec. 29: Lot 1<br>together with all accretion & riparian rights thereto and | 80.00 | Unleased | E. G. Mack & Alma Mack | 32.00% | Unleased | 100% | None | | Unleased | 32.00% |
| | | | Unleased | Heirs of Elsa L. Murphy | 22.33% | Unleased | 100% | None | | Unleased | 22.33% |

183

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | all right, title & interest to the bed of the New Fork River | | Unleased | The International Trust Company | 22.67% | Unleased | 100% | None | | Unleased | 22.67% |
| | | | Unleased | Claire R. Axtell | 7.56% | Unleased | 100% | None | | Unleased | 7.56% |
| | | | Unleased | Paul W. Axtell & Albert E. Axtell | 15.11% | Unleased | 100% | None | | Unleased | 15.11% |
| | | | Unleased | Bruce W. Ritchie* | 0.33% | Unleased | 100% | None | | Unleased | 0.33% |
| 112 | T31N-R109W, 6th P.M.<br>Sec. 29: Lots 2,5,6, W½SE¼<br>Sec. 32: Lots 1,2,3, 4,6, NW¼NE¼<br>Sec. 33: Lots 1,2,3, 5, NW¼NW¼<br>together with all accretion & riparian rights thereto and all right, title & interest to the bed of the Green River | 467.47 | Unleased | Robert E. Olson & Ena Olson | 50% | Unleased | 100% | None | | Unleased | 50% |
| | | | Unleased | Harvey Dean Luce* | 50% | Unleased | 100% | None | | Unleased | 50% |
| 113 | T31N-R111W, 6th P.M.<br>Sec. 25: NE¼SW¼, S½SW¼, SW¼SE¼ | 160.00 | Effective 7-23-86 | Bonney B. Eken (12.5%) | 50% | Gas & Oil Management, Inc. | 100% | None | | Gas & Oil Management, Inc. | 50% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Expires 7-23-91 | | | | | | | |
| | | | Effective 7-23-86 | Michael C. Warren (12.5%) | 50% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 50% |
| | | | Expires 7-23-91 | | | | | | | |
| 114 | T31N-R111W, 6th P.M. Sec. 36: SW¼ | 160.00 | Effective 7-8-86 | Harry Zimmerman & Lucy Zimmerman (12.5%) | 100% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 100% |
| | | | Expires 7-8-96 | | | | | | | |
| 115 | T31N-R109W, 6th P.M. Sec. 32: Lot 7 Sec. 33: Lot 6 together with all accretion & riparian rights thereto and all right, title & interest to the bed of the New Fork River | 24.04 | Unleased | Nellie S. Johnson | 50.000% | Unleased | 100% | None | Unleased | 50.000% |
| | | | Unleased | Lester G. Olson* | 50.000% | Unleased | 100% | None | Unleased | 50.000% |
| 116 | T30N-R109W, 6th P.M. Sec. 4: Lot 4, SW¼NW¼ Sec. 5: Lots 1,6,7,10 together with all accretion & riparian rights thereto and all right, title & interest to the | 233.25 | Unleased | Nellie S. Johnson | 50% | Unleased | 100% | None | Unleased | 50% |
| | | | Unleased | Alfred F. Olson* | 50% | Unleased | 100% | None | Unleased | 50% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| | bed of the New Fork River | | | | | | | | | |
| 117 | **T30N-R109W, 6th P.M.**<br>Sec. 5: Lots 8,9, E½SW¼, SW¼SW¼<br>Sec. 6: S½SE¼<br>Sec. 7: Lots 1,2,3, 4,5,6<br>Sec. 8: Lots 2,3,4, N½NW¼<br>together with all accretion & riparian rights thereto and all right, title & interest to the bed of the New Fork River | 663.34 | Effective 6-30-86<br>Expires 6-30-91 | Robert E. Olson & Ena Olson, h.w (12.5%) | 100% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 100% |
| 118 | **T30N-R110W, 6th P.M.**<br>Sec. 11: Lot 1, NE¼SE¼<br>Sec. 12: Lots 1,2,3,4, S½N½<br>inclusive of accretions and riparian rights thereto and also inclusive of all right, title & interest to the bed of the New Fork River | 361.08 | Effective 6-30-86<br>Expires 6-30-91 | Robert E. Olson & Ena Olson, h.w (12.5%) | 100% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 100% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 119 | T30N-R110W, 6th P.M.<br>Sec. 14: Lots 2,3,6, 8,9, SW¼NE¼, NE¼SW¼<br>Sec. 15: Lots 4,5,6, 8, SW¼NE¼, E½SW¼, W½SE¼<br>Sec. 21: Lot 1<br>Sec. 22: Lots 2,3,4, 5,6,7,9, 10,11, NW¼NE¼, NW¼, NW¼SW¼<br>Sec. 23: Lot 1<br>Sec. 27: Lots 1,2, NW¼NE¼ together with all accretions and riparian rights appurtenant thereto and also all all right, title and interest to the bed of the New Fork River | 1322.64 | Effective 6-26-86<br>Expires 6-26-91 | Peter S. Olson & Anne Olson (12.5%) | 100% | Gas & Oil Management, Inc. | 100% | None | | Gas & Oil Management, Inc. | 100% |
| 120 | T30N-R110W, 6th P.M.<br>Sec. 21: Lots 6,7,8,10, SE¼SW¼, SE¼<br>Sec. 28: Lots 1,2,3,4, NE¼NW¼, N½NE¼<br>together with all accretion & riparian rights thereto and all right, title & interest to the bed of the New Fork and Green River | 610.91 | Effective 6-25-86<br>Expires 6-25-89 | Joseph Woodrow Murdock (16.666%) | 100% | Gas & Oil Management, Inc. | 100% | None | | Gas & Oil Management, Inc. | 100% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 121 | **T30N-R110W, 6th P.M.**<br>Sec. 20: Lot 1, S½NE¼, N½SE¼<br>Sec. 21: Lots 4,9, SW¼NW¼<br>less a tract of land containing 1.66 acres described at Book 22, Page 388 together with all accretion & riparian rights thereto and all right, title & interest to the bed of the Green River | 321.25 | Effective 6-25-86<br>Expires 6-25-89 | Joseph Woodrow Murdock (16.666%) | 33.3333% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 33.3333% |
| | | | Effective 6-25-86<br>Expires 6-25-89 | Caryn A. Bing* (16.666%) | 33.3333% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 33.3333% |
| | | | Effective 6-25-86<br>Expires 6-25-89 | John H. Schmitz* (16.666%) | 33.3333% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 33.3333% |
| 122 | **T30N-R110W, 6th P.M.**<br>Sec. 20 & 21: a tract of land being part of Lot 9 of Sec. 21 and Lot 1 of Sec. 20 desc. by M & B in Bk 22 Warrant deeds at Page 388 in Sublette County, Wyoming containing 1.66 acres, more or less. | 1.66 | Unleased | Solon W. Murdock & Carol J. Murdock | 33.3334% | Unleased | 100% | None | Unleased | 33.3334% |
| | | | Unleased | Caryn A. Bing* | 33.3333% | Unleased | 100% | None | Unleased | 33.3333% |
| | | | Unleased | John H. Schmitz* | 33.3333% | Unleased | 100% | None | Unleased | 33.3333% |

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| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 123 | T30N-R110W, 6th P.M.<br>Sec. 19: S½NE¼, NW¼SE¼<br>Sec. 20: NW¼, NE¼SW¼ | 320.00 | Effective 2-27-86<br>Expires 2-27-91 | Shirley B. Luce (16.67%) | 100% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 100% |
| 124 | T30N-R110W, 6th P.M.<br>Sec. 20: W½SW¼, SE¼SW¼, SW¼SE¼<br>Sec. 29: W½SW¼<br>Sec. 30: Lots 8,13, E½SE¼<br>together with all accretion & riparian rights thereto and all right, title & interest to the bed of the Green River | 416.35 | Unleased | Martin Junior Wardell, Celia Jane Wardell, & Robert E. Wardell | 100% | Unleased | 100% | None | Unleased | 100% |
| 125 | T30N-R110W, 6th P.M.<br>Sec. 19: E½SE¼, SW¼SE¼<br>Sec. 30: Lots 1,2,5, 6,9,12<br>together with all accretion & riparian rights thereto and all right, title & interest to the bed of the Green River | 342.37 | Unleased | John E. Wardell<br>Lance L. Hill, Nila M. Hill and Henry L. Hill | 50%<br>50% | Unleased | 100% | None | Unleased | 50%<br>50% |

| Tract Number | Description of Land | Number of Acres | Serial Number and Expiration Date of Lease | Basic Royalty and Percentage | | Lessee of Record and Percentage | | Overriding Royalty and Percentage | Working Interest and Percentage | |
|---|---|---|---|---|---|---|---|---|---|---|
| 126 | T30N-R110W, 6th P.M.<br>Sec. 15: Lot 7, E½NE¼ | 120.00 | Unleased | Harvey Dean Luce* | 50% | Unleased | 100% | None | Unleased | 50% |
| | | | Unleased | Undetermined mineral ownership | 50% | Unleased | 100% | None | Unleased | 50% |
| 127 | T30N-R110W, 6th P.M.<br>Sec. 10: tract in E½E½ desc. at Bk. 20, Pg. 536 of the records of Sublette County, Wyo. | 70.00 | Effective 8-22-86<br>Expires 8-22-91 | Michael D. Marincic and Dorothy Marincic | 50% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 50% |
| | | | Effective 8-22-86<br>Expires 8-22-91 | Harvey Dean Luce* | 50% | Gas & Oil Management, Inc. | 100% | None | Gas & Oil Management, Inc. | 50% |

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34 PATENTED TRACTS TOTALING 22,870.10 ACRES OR 12.63% OF UNIT AREA

127 TRACTS IN UNIT AREA TOTALING 180,999.68 ACRES

* Non-participating royalty interest

1 Partial assignment pending to HPC, Inc.
2 Assignment pending to Gilman A. Hill
3 Pending reissue of lease to Liberty Petroleum Corporation

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RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 11 day of Sept, 1987

TRACT(S) 54

John D. Chasel

John D. Chasel

Address: 2285 Lucky John Drive
Park City, Utah 84060

**STATE OF** Utah )
) ss.
**COUNTY OF** Summit )

The foregoing instrument was acknowledged before me by John D. Chasel.

This ____ day of Sept., 1987.

**WITNESS** my hand and official seal.

My commission expires:
6-26-91

Notary Public

RECEIVED

SEP 25 1987

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 23rd day of September, 1987.

TRACT(S) 4,5,10,15,32,35,36 ~~5,6,13,15,19,42,45 & 46~~

**ATTEST:**

American Hunter Exploration Ltd.

R. E. Cheetham
Regional Land Manager

By: James E. Chaput
James E. Chaput
Senior Vice President - Land

Address: 1700 Lincoln, Suite 2300
Denver, CO 80203

**STATE OF** Colorado )
)ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by

James E. Chaput, as Senior Vice President - Land, of

American Hunter Exploration Ltd.

This 23rd day of September, 1987.

**WITNESS** my hand and official seal.

My commission expires:

November 20, 1988

Mary Heffernan
Notary Public

MARY HEFFERNAN NOTARY PUBLIC STATE

RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 10th day of Sept., 1987.

TRACT(S) 45

**ATTEST:**

Jack M. Pinna

By: Frank N Critelli

Address: c/o P.O. Box 218, Westside Station
Buffalo, NY 14213

**STATE OF** NEW YORK )
)ss.
**COUNTY OF** ERIE )

The foregoing instrument was acknowledged before me by Frank N. Critelli, as _____, of _____.

This 10th day of September, 1987.

**WITNESS** my hand and official seal.

My commission expires:

8/31/89

Judith L. Taylor
Notary Public

JUDITH L. TAYLOR
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN ERIE COUNTY

RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASPER, WYOMING

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 31, 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 31st day of August, 1987

TRACT(S) W-60128-C 2552.03 ACRES IN T 30N-R 110 W )
6

Burt P. Flickinger, Jr.

Address: PO Box 1086
BUFFALO NEW YORK 14240

**STATE OF** New York )
)ss.
**COUNTY OF** Erie )

The foregoing instrument was acknowledged before me by Burt P. Flickinger, Jr.

This 31st day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

12/31/88

Merry B. Pelow
Notary Public

MERRY B. PELOW
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Dec. 31, 1988

4 194

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RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 28th day of August, 19 87

TRACT(S) ~~7,8,9,20~~ 6,16

**ATTEST:**

FINA OIL AND CHEMICAL COMPANY

Minnie Evans, Asst. Secretary

By: Neil A. Smoak, Vice President

Address: 1601 N. W. Expressway, Suite 900
Oklahoma City, OK 73118

**STATE OF** OKLAHOMA )
)ss.
**COUNTY OF** OKLAHOMA )

The foregoing instrument was acknowledged before me by Neil A. Smoak, as Vice President, of Fina Oil and Chemical Company.

This 28th day of August, 19 87

**WITNESS** my hand and official seal.

My commission expires:

1-28-90

Notary Public

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25 day of August, 1987.

TRACT(S) 10 - 11

Marshall R. Perkins

Address: Marshall R. Perkins
1671 Waltham Rd.,
Concord, CA. 94520

**STATE OF** California )
)ss.
**COUNTY OF** Contra Costa )

The foregoing instrument was acknowledged before me by Marshall R. Perkins.

This 25 day of August, 19 87.

**WITNESS** my hand and official seal.

My commission expires:

April 19, 1991

Eda L. Goff
Notary Public

OFFICIAL SEAL
EDA L. GOFF
NOTARY PUBLIC CALIFORNIA
CONTRA COSTA COUNTY
My commission expires Apr 19, 1991

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25 day of August, 1987.

TRACT(S) 10, 11, 12, 21, 77, 78

JOHN A. MASEK
P.O. BOX 3114
CASPER, WY 82602

Address:

**STATE OF** COLORADO )
)ss.
**COUNTY OF** DENVER )

The foregoing instrument was acknowledged before me by JOHN A. MASEK.

This 25 day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:
6/30/90

David Nicholson
Notary Public

NOTARY PUBLIC
DAVID NICHOLSON
STATE OF COLORADO

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24th day of August, 1987.

TRACT(S) 14

Robert E. Eckels

Address: 49 S. Lookout Mountain Road
Golden, Colorado 80401

**STATE OF** COLORADO )
)ss.
**COUNTY OF** JEFFERSON )

The foregoing instrument was acknowledged before me by Robert E. Eckels.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

March 17, 1990

Notary Public
Residing at: Lakewood, CO

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RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
[illegible] WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 31st day of August, 1987

TRACT(S) 14

Paul N. Temple

Address:

STATE OF Virginia )
)ss.
COUNTY OF Arlington )

The foregoing instrument was acknowledged before me by Paul N. Temple.

This 1st day of September, 1987.

**WITNESS** my hand and official seal.

My commission expires:

Sept. 22, 1989

Katherine Francis
Notary Public

RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 29th day of August, 1987.

TRACT(S) 25 19

Wm B. Scheidt

Address: P. O. Box 20748
Oklahoma City, Oklahoma 73156

**STATE OF** OKLAHOMA )
)ss.
**COUNTY OF** OKLAHOMA )

The foregoing instrument was acknowledged before me by Wm. B. Scheidt.

This 29th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

April 8, 1991

Wanda Carlene Scheidt
Notary Public

10 200

201

RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROCK SPRINGS, WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August , 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 24th day of August, 1987.

TRACT(S) ~~28~~ 20

William C. Kirkwood

WILLIAM C. KIRKWOOD

Address: P.O. Drawer 3439
Casper, Wyoming 82602

**STATE OF** Wyoming )
) ss.
**COUNTY OF** Natrona )

The foregoing instrument was acknowledged before me by William C. Kirkwood.

This 24th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

Georgiana R. Stewart
Notary Public

Georgiana R. Stewart NOTARY PUBLIC My Commission Expires Apr. 16, 1990 Converse County, Wyoming

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25th day of August, 1987.

TRACT(S) 28

James A. Bodenhamer

Address: 1105 West 22nd
Casper, Wyoming 82604

**STATE OF** Wyoming )
) ss.
**COUNTY OF** Natrona )

The foregoing instrument was acknowledged before me by James A. Bodenhamer.

This 25th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

Georgiana R. Stewart NOTARY PUBLIC My Commission Expires Apr. 16, 1990 Converse County, Wyoming

Georgiana R. Stewart
Notary Public

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25th day of AUGUST, 1987.

TRACT(S) 30

Walter W. Doeringsfeld

Address: WALTER W. DOERINGSFELD, JR.
P.O. BOX 648
KENO, OREGON 97627

**STATE OF** OREGON )
)ss.
**COUNTY OF** KLAMATH )

The foregoing instrument was acknowledged before me by WALTER W. DOERINGSFELD, JR.

This 25th day of AUGUST, 1987.

**WITNESS** my hand and official seal.

My commission expires:
5-21-89

Ethelene Page
Notary Public

ETHELENE PAGE NOTARY PUBLIC STATE OF

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 25 day of August, 1987.

TRACT(S) 35

Cynthia E. Perkins

Address: Cynthia E. Perkins
1671 Waltham Rd.,
Concord, CA. 94520

**STATE OF** California )
)ss.
**COUNTY OF** Contra Costa )

The foregoing instrument was acknowledged before me by Cynthia E. Perkins.

This 25 day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

April 19, 1991

Eda L. Goff
Notary Public

OFFICIAL SEAL
EDA L. GOFF
NOTARY PUBLIC CALIFORNIA
CONTRA COSTA COUNTY
My commission expires Apr. 19, 1991

RECEIVED
SEP 25 1987
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WYOMING

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 1st day of September, 1987.

TRACT(S) 35 27

ATTEST: INVICTA CORPORATION CORPORATE SEAL
Scott A. Craig
Assistant Secretary

By: [signature]

Address: INVICTA CORPORATION
518 17th STREET, SUITE #1450
DENVER, COLORADO 80202

**STATE OF** Colorado )
)ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by A. Scott Craig, as Vice President, of Invicta Corporation.

This 1st day of September, 1987.

**WITNESS** my hand and official seal.

MICHAEL B. MAY NOTARY PUBLIC STATE OF

My commission expires: 2/29/88

[signature]
Notary Public

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 27th day of August, 1987.

TRACT(S) 79

Raymond N. Joeckel
1775 Sherman Street, Suite 2100
Denver, Colorado 80203

Address:

**STATE OF** Colorado )
)ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by Raymond N. Joeckel.

This 27th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

June 1, 1991

Notary Public
Catherine E. Joeckel



# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the New-Tech Unit Area, County of Sublette, State of Wyoming, dated August 24, 1987, in form approved on behalf of the Secretary of the Interior, the undersigned (whether one or more) hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original instrument.

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This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

**EXECUTED** this 27th day of August, 19 87.

TRACT(S) 79

Mary C. Joeckel

Mary C. Joeckel
1775 Sherman Street, Suite 2100
Denver, Colorado 80203

**Address:**

**STATE OF** Colorado )
)ss.
**COUNTY OF** Denver )

The foregoing instrument was acknowledged before me by Mary C. Joeckel.

This 27th day of August, 19 87.

**WITNESS** my hand and official seal.

My commission expires:

June 1, 1991

Catherine E. Joeckel

Notary Public
Catherine E. Joeckel

CATHERINE E. JOECKEL NOTARY PUBLIC STATE OF COLORADO

# UNIT OPERATING AGREEMENT

NEW-TECH **UNIT AREA**

**COUNTY OF** SUBLETTE

**STATE OF** WYOMING

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Boulder, Colorado 80309

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**NOTE: Attention is called to pages 1, 6, 10, 11, 13, 14, 15, 16, and 19, which contain blanks to be filled in.**

ROCKY MOUNTAIN UNIT OPER..TING AGREEMENT
Form 2 (Divided Interest)
February, 1980

# UNIT OPERATING AGREEMENT

NEW-TECH **UNIT AREA**

THIS AGREEMENT made as of the ____ day of August, 19 87, by and among the parties who execute or ratify this Agreement or a counterpart hereof,

**WITNESSETH:**

WHEREAS, the Parties have entered into that certain UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE NEW-TECH UNIT AREA, County of Sublette, State of Wyoming, dated as of the ____ day of August, 1987, and hereinafter referred to as the "Unit Agreement", covering the lands described in EXHIBIT B thereto attached, which lands are referred to in the Unit Agreement and in this Agreement as the "Unit Area"; and

WHEREAS, the Parties enter into this Agreement pursuant to Section 7 of the Unit Agreement,

NOW, THEREFORE, in consideration of the covenants herein contained, it is agreed as follows:

## ARTICLE 1
## DEFINITIONS

1.1 **Definitions.** The definitions contained in the Unit Agreement are adopted for all purposes of this Agreement. In addition, each term listed below shall have the meaning stated therefor, whenever used in this Agreement:

"**Unit Operator**" means Gilman A. Hill and its successors, as the Unit Operator designated in accordance with the Unit Agreement, acting in that capacity and not as an owner of a Committed Working Interest.

"**Party**" means a party to this Agreement, including the Party acting as Unit Operator when acting as an owner of a Committed Working Interest.

"**Drilling Party**", "**Completing Party**", and "**Participating Party**" all mean the Party or Parties obligated to bear Costs incurred in the Drilling, Completing, or Deepening or Plugging Back, respectively, of a well at the commencement of such operation.

"**Non-Drilling Party**", "**Non-Completing Party**", and "**Non-Participating Party**" all mean the Party or Parties who had the optional right to participate in the Drilling, Completing, or Deepening or Plugging Back, respectively, of a well and who elected not to participate therein.

"**Committed Working Interest**" means a working interest which is shown on Exhibit B to the Unit Agreement as owned by a Party and which is committed to the Unit Agreement. Whenever reference is made to a Party "in" or "within" the Unit Area, a participating area, or other area designated pursuant to this Agreement, such reference shall mean a Party owning a Committed Working Interest in lands within such area.

"**Acreage Basis**", when used to describe the basis of participation by the Parties within the Unit Area, a paticipating area, or other area designated pursuant to this Agreement in voting, Costs, or Production, means participation by each such Party in the proportion that the acreage of its Committed Working Interests in such area bears to the total acreage of the Committed Working Interests of all such Parties therein. For the purposes of this definition, (a) the acreage of the Committed Working Interest in a tract within the Unit Area shall be the acreage of such tract as set forth in Exhibit B to the Unit Agreement, and (b) if there are two or more undivided Committed Working Interests in a tract, there shall be apportioned to each such Committed Working Interest that proportion of the acreage of the tract that such Committed Working Interest bears to the entire Committed Working Interest in the tract.

"**Production**" means all unitized substances produced and saved from the Unit Area except so much thereof as is used in the conduct of operations under the Unit Agreement and this Agreement.

"**Costs**" means all costs and expenses incurred in the development and operation of the Unit Area pursuant to this Agreement or the Unit Agreement and all other expenses that are herein made chargeable as Costs, determined in accordance with the Accounting Procedure attached hereto as Exhibit 1, which shall govern in all matters covered thereby, except that in the event of an inconsistency between said Accounting Procedure and this Agreement, this Agreement shall control.

"**Lease Burdens**" means the royalty reserved to the lessor in an oil and gas lease, an overriding royalty, a production payment, and any similar burden, but does not include a carried working interest, a net profits interest, or any other interest which is payable out of profits.

"**Drill**" means to perform all operations reasonably necessary and incident to the drilling of a well to its projected depth, including preparation of roads and drill site, testing, and logging, but excluding Completion operations.

"**Complete**" means to perform all operations reasonably necessary and incident to the completion of a well, commencing with the running and setting of the production pipe and, if productive of unitized substances, equipping through the wellhead connections, or plugging and abandoning, if dry.

"**Equip**" means to perform all operations reasonably necessary and incident to the equipping of a well for production beyond the wellhead connections.

**"Deepen"** or **"Plug Back"** means to perform all operations reasonably necessary and incident to Drilling a well below its original projected depth or plugging back a well to a depth above its original projected depth, testing, and logging, but excluding Completing and Equipping operations.

**"Initial Test Well"** means the test well or wells provided for in Section 9 of the Unit Agreement and in Exhibit 2 attached hereto.

**"Subsequent Test Well"** means a test well Drilled after the Drilling of the Initial Test Well and before discovery of unitized substances in Paying Quantities in the Unit Area.

**"Development Well"** means a well Drilled within a participating area and projected to the pool or zone for which the participating area was established.

**"Exploratory Well"** means a well (other than a Development Well) Drilled after discovery of unitized substances in Paying Quantities in the Unit Area.

**"Approval of the Parties"** or **"Direction of the Parties"** means an approval, authorization, or direction which receives the affirmative vote of the Parties entitled to vote on the giving of such Approval or Direction, as specified in Section 14.2.

**"Salvage Value"** of a well means the value of the materials and equipment in or appurtenant to the well, determined in accordance with Exhibit 1, less the reasonably estimated Costs of salvaging the same and plugging and abandoning the well.

**"Appropriate Agency"** means the agency designated in the applicable Federal Regulations, including any person acting under the authority thereof.

**"Paying Quantities"** means paying quantities as defined in Section 9 of the Unit Agreement.

Other Definitions:

## ARTICLE 2
## EXHIBITS

2.1 **Exhibits.** The following Exhibits are incorporated herein by reference:

**Exhibit 1.** Accounting Procedure.
**Exhibit 2.** Initial Test Well.
**Exhibit 3.** Insurance.
**Exhibit 4.** Non-Discrimination.
**Exhibit 5.** Oil and Gas Lease.

In the event of a conflict or inconsistency between the provisions of an Exhibit and the provisions of this Agreement, the provisions of this Agreement shall control.

## ARTICLE 3
## INITIAL TEST WELL

3.1 **Location.** Unit Operator shall begin to Drill the Initial Test Well within the time required by Section 9 of the Unit Agreement, or any extension thereof, at the location specified in Exhibit 2.

3.2 **Costs of Drilling.** Subject to the investment adjustment provisions of Article 13, the Costs of Drilling the Initial Test Well shall be shared by the Parties in the manner and in the proportions specified in Exhibit 2.

## ARTICLE 4
## SUBSEQUENT TEST WELLS

4.1 **Right to Drill.** The Drilling of any Subsequent Test Well shall be upon such terms and conditions as may be agreed to by the Parties; provided, however, that in the absence of agreement, such well may be Drilled under the provisions of Article 9.

## ARTICLE 5
## ESTABLISHMENT, REVISION, AND CONSOLIDATION OF PARTICIPATING AREAS

5.1 **Proposal.** Unit Operator shall initiate each proposal for the establishment or revision of a participating area by submitting the proposal in writing to each Party at least twenty (20) days before filing the same with the Appropriate Agency. The date of proposed filing must be shown in the proposal. If, within the 20-day period above provided, the proposal receives the Approval of the Parties within the proposed participating area or no written objections are received, then such proposal shall be filed on the date specified.

5.2 **Objections to Proposal.** Prior to the proposed filing date any Party may submit to all other Parties written objections to such proposal. If, despite such objections, the proposal receives the Approval of the Parties within the proposed participating area, then the Party making the objections may renew the same before the Appropriate Agency.

5.3 **Revised Proposal.** If the proposal does not receive the Approval of the Parties within the proposed participating area, and Unit Operator receives written objections thereto, then Unit Operator shall submit to the Parties a revised proposal, taking into account the objections made to the first proposal. If no proposal receives the Approval of the Parties within sixty (60) days from submission of the

first proposal, then Unit Operator shall file with the Appropriate Agency a proposal reflecting as nearly as practicable the various views expressed by the Parties.

5.4 **Rejection of Proposal.** If a proposal filed by Unit Operator as above provided is rejected by the Appropriate Agency, Unit Operator shall initiate a new proposal in the same manner as provided in Section 5.1, and the procedure with respect thereto shall be the same as in the case of an initial proposal.

5.5 **Consolidation.** Two or more participating areas may be combined as provided in the Unit Agreement.

## ARTICLE 6
## APPORTIONMENT OF COSTS AND OWNERSHIP AND DISPOSITION OF PRODUCTION AND PROPERTY

6.1 **Apportionment and Ownership Within Participating Area.** Except as otherwise provided in Articles 8, 9, 11, and 12:

A. **Costs.** All Costs incurred in the development and operation of a participating area for or in connection with production of unitized substances from any pool or zone for which such participating area is established shall be borne by the Parties within such participating area on an Acreage Basis, determined as of the time such Costs are incurred.

B. **Production.** All Production from a participating area shall be allocated on an Acreage Basis to the tracts of unitized land within such participating area. That portion of such Production which is allocated to any such tract shall be owned by the Party or Parties having Committed Working Interest or Interests therein in the same manner and subject to the same conditions as if actually produced from such tract through a well thereon and as if this Agreement and the Unit Agreement had not been executed.

C. **Property.** All materials, equipment, and other property, whether real or personal, the cost of which is chargeable as Costs and which have been acquired in connection with the development or operation of a participating area, shall be owned by the Parties within such participating area on an Acreage Basis.

6.2 **Ownership and Costs Outside Participating Area.** If a well Drilled (including the Deepening or Plugging Back thereof) within a Drilling Block established under the provisions of either Article 9 or Article 10 is completed as a producer but not included within a participating area, then the following provisions shall be applicable:

A. **When All Drilling Block Parties Participate.** If all Parties within the Drilling Block shall have elected to participate in Drilling and Completing such well, then said well, the Production therefrom, and the materials and equipment therein or appurtenant thereto shall be owned by such Parties; and all Costs incurred in the operation of such well and all Lease Burdens payable in respect of Production from such well shall be borne and paid by said Parties. Apportionment among said Parties of ownership, Costs, and Lease Burdens shall be in the same proportions in which Costs incurred in Drilling the well were borne.

B. **When Less Than All Drilling Block Parties Participate.** If any Party within the Drilling Block shall have elected not to participate in Drilling or Completing such well, then the provisions of Article 12 shall be applicable thereto; and the relinquished interest of the Non-Drilling Party shall revert to it in the same manner and under the same conditions as provided in Section 12.4 with respect to a well which results in the establishment or enlargement of a participating area, except that the proceeds or market value to be used in determining when such reversion shall occur shall be the proceeds or market value (after making the deductions provided for in Section 12.4) of that portion of the Production obtained from the well which, had the Non-Drilling Party elected to participate in the Drilling or Completing thereof, would have been allocable, on an Acreage Basis within the Drilling Block, to the Non-Drilling Party. Upon reversion of the relinquished interest of the Non-Drilling Party in such well, the provisions of Section 12.5 shall become applicable.

6.3 **Cost Liability of Subsequently Created Interests.** Anything herein to the contrary notwithstanding, if, subsequent to the date of this Agreement, any Party shall create an overriding royalty, production payment, net proceeds interest, carried interest, or any other interest out of its Committed Working Interest (hereinafter called "Subsequently Created Interest"), such Subsequently Created Interest shall be made expressly subject to the terms and provisions of this Section 6.3 and of Section 12.9. If the Party which created such Subsequently Created Interest fails to pay, when due, its share of Costs and the proceeds from its share of Production are insufficient to cover such Costs, then the Subsequently Created Interest shall be chargeable with a pro rata share of such Costs as if such Subsequently Created Interest were a Committed Working Interest; and Unit Operator shall have the right to enforce against such Subsequently Created Interest the lien and all other rights granted in Section 15.5 for the purpose of collecting Costs chargeable to the Subsequently Created Interest.

6.4 **Taking in Kind.** Each Party shall currently, as produced, take in kind or separately dispose of its share of Production and pay Unit Operator for any extra expenditure necessitated thereby. Except as otherwise provided in Section 15.5, each Party shall be entitled to receive directly all proceeds from the sale of its share of Production. Unit Operator shall timely make all permitted governmental filings relative to the price to be charged for gas; however, Unit Operator shall not be liable if, through mistake or oversight, it should fail to make any such filing or should make erroneous filings.

6.5 **Failure to Take in Kind.** Should any Party fail to take in kind or separately dispose of its share of Production, the Party acting as Unit Operator shall have the right, revocable at will by the Party owning such share, to purchase such share for its own account at not less than the market price

prevailing in the area for Production of like kind and quality, or to sell such share to others at not less than the price which it receives for its own share of Production; provided that all such sales shall be only for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but not to exceed one (1) year. Notwithstanding the foregoing, Unit Operator shall not sell or commit any Party's share of gas Production to a sale without first giving such Party not less than ninety (90) days' written notice.

6.6 **Surplus Materials and Equipment.** Materials and equipment owned by the Parties or by any of them pursuant to this Agreement may be classified as surplus by Unit Operator when deemed by it to be no longer needed in operations hereunder, by giving to each Party owning an interest therein notice thereof. Such surplus materials and equipment shall be disposed of as follows:

A. Each Party owning an interest therein shall have the right to take in kind its share of surplus tubular goods and other surplus items which are susceptible of division in kind, by notice given to Unit Operator within thirty (30) days after classification thereof as surplus, except that such right shall not apply to junk or to any item (other than tubular goods) having a replacement cost of less than Seven Thousand Five Hundred Dollars ($7,500.00).

B. Surplus materials and equipment not divided in kind, other than junk and any item (other than tubular goods) having a replacement cost of less than Seven Thousand Five Hundred Dollars ($7,500.00), shall be sold to the highest bidder or bidders.

C. Surplus materials and equipment not disposed of in accordance with the preceding provisions of this Section shall be disposed of as provided in Exhibit 1.

## ARTICLE 7
## PLANS OF DEVELOPMENT

7.1 **Submittal of Plans.** Each plan for the development and operation of the Unit Area shall be submitted by Unit Operator to the Appropriate Agency in accordance with the Unit Agreement and the further provisions of this Article.

7.2 **Proposal.** Unit Operator shall initiate each proposed plan by submitting the same in writing to each Party at least thirty (30) days before filing the same with the Appropriate Agency. If, within the 30-day period above provided, such plan receives the Approval of the Parties or no written objections are received, then such plan shall be filed.

7.3 **Objections to Plan.** Within the 30-day period above provided, any Party may submit to Unit Operator written objections to such plan. If, despite such objections, the plan receives the Approval of the Parties, then the Party making the objections may renew the same before the Appropriate Agency.

7.4 **Revised Plan.** If such plan does not receive the Approval of the Parties, and Unit Operator receives written objections thereto, then Unit Operator shall submit to the Parties a revised plan, taking into account the objections made to the first plan. If no plan receives the Approval of the Parties within sixty (60) days from submission of the first plan, then Unit Operator shall file with the Appropriate Agency a plan reflecting as nearly as practicable the various views expressed by the Parties.

7.5 **Rejection of Plan.** If a plan filed by Unit Operator as above provided is rejected by the Appropriate Agency, Unit Operator shall initiate a new plan in the same manner as provided in Section 7.2, and the procedure with respect thereto shall be the same as in the case of an initial plan.

7.6 **Notice of Approval or Disapproval.** If and when a plan has been approved or disapproved by the Appropriate Agency, Unit Operator shall give prompt notice thereof to each Party.

7.7 **Supplemental Plans.** If any Party or Parties shall have elected to proceed with a Drilling, Deepening, or Plugging Back operation in accordance with the provisions of this Agreement, and such operation is not provided for in the then current plan of development approved by the Appropriate Agency, Unit Operator shall either (a) submit to the Appropriate Agency for approval a supplemental plan providing for the conduct of such operation or (b) request the Appropriate Agency to consent to such operation, if such consent is sufficient.

7.8 **Cessation of Operations Under the Plan.** If any plan approved by the Appropriate Agency provides for the cessation of any Drilling or other operation therein provided for on the happening of a contingency and such contingency occurs, Unit Operator shall promptly cease such Drilling or other operation and shall not incur any additional Costs in connection therewith unless and until such Drilling or other operation is again authorized, in accordance with this Agreement, by the Parties chargeable with such Costs and the Appropriate Agency.

## ARTICLE 8
## DEVELOPMENT WELLS

8.1 **Purpose and Procedure.** It is the purpose of this Article to set forth the procedure for Drilling and Completing a Development Well.

8.2 **Drilling.** The Drilling of a Development Well shall be pursuant to the procedure herein set forth.

A. **Approval Required.** The Drilling of a Development Well shall be subject to such Drilling receiving the Approval of the Parties, unless the Drilling of the proposed well is necessary to prevent the loss of a Committed Working Interest in the tract of land on which the proposed well is to be Drilled. Vote by any Party in favor of the Drilling of any such well shall not, however, be deemed an election by such Party to participate in the Costs thereof but shall mean only that such Party

considers the Drilling of the well to be consistent with the efficient and economic development of the participating area involved and has no objection to the Drilling thereof.

B. **Notice of Proposed Drilling.** Subject to the provisions of Subdivision A of this Section 8.2, any Party within a participating area may propose the Drilling of a Development Well therein by giving to each of the other Parties within the participating area notice, specifying the location, depth, and estimated cost of the proposed well, which location shall conform to any applicable spacing pattern then existing or an approved exception thereto.

C. **Response to Notice.** Within thirty (30) days after receipt of such notice, each Party within such participating area shall advise all other Parties therein whether or not it wishes to participate in Drilling the proposed well. If any Party fails to give such advice within said 30-day period, it shall be deemed to have elected not to participate in Drilling the proposed well. If all Parties within such participating area advise that they wish to participate in Drilling the proposed well, then Unit Operator shall Drill the well for the account of all such Parties.

D. **Notice of Election to Proceed.** Unless all Parties within the participating area agree to participate in Drilling such well, then, within fifteen (15) days after expiration of the 30-day period specified in Subdivision C of this Section 8.2, each Party within the participating area then desiring to have the proposed well Drilled shall give to all other Parties therein notice of its election to proceed with the Drilling of said well. Failure to give such notice shall be deemed an election not to participate in Drilling the well.

E. **Subsequent Election.** If election to Drill the proposed well is made, any Party within the participating area who had not previously elected to participate therein may do so by notice given to Unit Operator at any time before the well is spudded, in which event such Party shall be included in the Drilling Party. However, such Party shall be bound by any and all Directions and Approvals theretofore given by the Drilling Party concerning the Drilling of the well.

F. **Effect of Election.** If one or more, but not all, of the Parties within the participating area elect to proceed with the Drilling of the well, Unit Operator shall Drill the well for the account of such Party or Parties, who shall constitute the Drilling Party, on an Acreage Basis among themselves, or on such other basis as said Parties may specify.

G. **Rights and Obligations of Drilling Party and Non-Drilling Party.** Whenever a Development Well is Drilled otherwise than for the account of all Parties within the participating area involved, the provisions of Article 12 shall be applicable to such operation.

8.3 **Attempted Completion.** The attempted Completion of Development Wells Drilled to their projected depths shall be governed by the following provisions:

A. **Notice by Unit Operator.** After a Development Well has reached its projected depth and been tested, logged, and logs furnished to each Drilling Party, but before production pipe has been set, Unit Operator shall give notice thereof to each Drilling Party.

B. **Right to Attempt Completion.** Each Drilling Party shall have the right to initiate a proposal to attempt the Completion of such well and also shall be entitled to participate in the Completion attempt.

C. **Time and Manner of Initiating Proposal.** A period of twenty-four (24) hours (exclusive of Saturdays, Sundays, and holidays) from and after receipt of the notice given pursuant to Subdivision A of this Section 8.3 shall be allowed within which a Party entitled to do so may initiate a proposal to Complete. Any such proposal shall be initiated by giving notice thereof to Unit Operator and to each Drilling Party. If no such proposal is initiated within said period and no other proposal is initiated pursuant to Article 11, Unit Operator shall plug and abandon the well for the account of the Drilling Party.

D. **Election.** If a proposal to Complete is initiated, each Drilling Party shall have a period of twenty-four (24) hours (exclusive of Saturdays, Sundays, and holidays) from and after receipt of such proposal within which to notify Unit Operator whether or not it elects to participate in the Completion attempt. The failure of a Party to signify its election within said 24-hour period shall be deemed an election not to participate in the Completion attempt.

E. **Effect of Election.** The Party or Parties electing to participate in an attempt to Complete a well as above provided shall constitute the Completing Party for such operation. Each Party who was entitled to make such election but failed to do so as above provided shall be a Non-Completing Party with respect to such operation. Such operation shall be conducted by Unit Operator for the account of the Party or Parties constituting the Completing Party, on an Acreage Basis among themselves, or on such other basis as the Completing Party may specify. Such operation, if successful, shall include Equipping the well for production.

F. **Rights and Obligations of Completing Party and Non-Completing Party.** Upon the commencement of a Completion operation otherwise than for the account of all Drilling Parties, the provisions of Article 12 shall be applicable to such operation.

G. **Notice Prior to Plugging.** Before plugging and abandoning any Development Well which was Drilled to its projected depth and not completed as a producer of unitized substances, Unit Operator shall give the notice specified in Section 11.1 A, unless every Party entitled to the notice has consented to the plugging and abandonment of such well, in which event Unit Operator shall plug and abandon the well for the account of the Completing Party. Upon the giving of such notice, the provisions of Article 11 shall apply.

## ARTICLE 9
## EXPLORATORY WELLS

9.1 **Purpose and Procedure.** It is the purpose of this Article to set forth the procedure for Drilling and Completing an Exploratory Well.

9.2 **Drilling.** The Drilling of an Exploratory Well shall be pursuant to the procedure herein set forth.

A. **Notice of Proposed Drilling.** Any Party desiring the Drilling of an Exploratory Well on land in which it owns a Committed Working Interest shall designate an area, herein called a Drilling Block, not to exceed 1280 acres, which, on the basis of available geological information, will, in its judgment, be proved productive by the Drilling of such well. Unit Operator and each Party within the Drilling Block shall be furnished with a plat and description of the area so designated, together with notice of the location, objective formation, estimated depth, and estimated cost of the proposed well. The location of the proposed well shall conform to any applicable spacing pattern then existing or an approved exception thereto. The Drilling Block shall include no land in an established participating area for the objective formation for the well to be Drilled thereon nor any land included in a proposal therefor filed with the Appropriate Agency nor any land within an active, previously designated Drilling Block for such formation. The Drilling Block shall be considered active for ninety (90) days after the designation thereof and, if the actual Drilling of a well is commenced thereon within such period, until either:

(1) the Completion of the well, if it is completed otherwise than as a producer of unitized substances in Paying Quantities, either at its original projected depth or, if Deepening or Plugging Back operations are conducted, at any other projected depth; or

(2) the filing with the Appropriate Agency of a proposal for the establishment or revision of a participating area if the Completion of the well results in the filing of such proposal.

B. **Basis of Participation.** Each Party within the Drilling Block shall be entitled to participate in the Costs of Drilling the proposed well on an Acreage Basis but shall be required to do so only if it notifies the other Parties within the Drilling Block of its willingness so to participate, as hereinafter in this Article 9 provided.

C. **Exclusion of Land From Proposed Drilling Block.** Within thirty (30) days after receipt of such notice, any part of the land included in the proposed Drilling Block may be excluded therefrom at the Direction of the Parties therein. In such event the proposed Drilling Block, as reduced by the exclusion of such land, shall be established as the Drilling Block. In the absence of any such Direction, then, at the expiration of said 30-day period, the proposed Drilling Block shall be established as the Drilling Block.

D. **Preliminary Notice to Join in Drilling.** Within ten (10) days after the establishment of the Drilling Block, each Party within such Drilling Block shall advise all other Parties therein whether or not it wishes to participate in Drilling the proposed well. If any Party fails to give such advice within said 10-day period, it shall be deemed to have elected not to participate in Drilling the proposed well. If all Parties within the Drilling Block advise that they wish to participate in Drilling the proposed well, then Unit Operator shall Drill the well for the account of all such Parties.

E. **Notice of Election to Proceed.** Unless all Parties within the Drilling Block agree to participate in Drilling such well, then, within fifteen (15) days after expiration of the 10-day period specified in Subdivision D of this Section 9.2, each Party within the Drilling Block then desiring to have the proposed well Drilled shall give to all other Parties therein notice of its election to proceed with the Drilling of said well. Failure to give such notice shall be deemed an election not to participate in Drilling the well.

F. **Subsequent Election.** If election to Drill the proposed well is made, any Party within the Drilling Block who had not previously elected to participate therein may do so by notice given to all other Parties within the Drilling Block at any time before the well is spudded, in which event such Party shall be included in the Drilling Party. However, such Party shall be bound by any and all Directions and Approvals theretofore given by the Drilling Party concerning the Drilling of the well.

G. **Effect of Election.** If one or more, but not all, of the Parties within the Drilling Block elect to proceed with the Drilling of the well, Unit Operator shall Drill the well for the account of such Party or Parties, who shall constitute the Drilling Party, on an Acreage Basis among themselves, or on such other basis as said Parties may specify.

H. **Rights and Obligations of Drilling Party and Non-Drilling Party.** Whenever an Exploratory Well is Drilled otherwise than for the account of all Parties within the Drilling Block involved, the provisions of Article 12 shall be applicable to such operation.

9.3 **Attempted Completion.** The attempted Completion of Exploratory Wells Drilled to their projected depths shall be governed by the following provisions:

A. **Notice by Unit Operator.** After an Exploratory Well has reached its projected depth and has been tested, logged, and logs furnished to each Drilling Party, but before production pipe has been set, Unit Operator shall give notice thereof to each Drilling Party.

B. **Right to Attempt Completion.** Each Drilling Party shall have the right to initiate a proposal to attempt the Completion of such well and also shall be entitled to participate in the Completion attempt.

C. **Time and Manner of Initiating Proposal.** A period of twenty-four (24) hours (exclusive of Saturdays, Sundays, and holidays) from and after receipt of the notice given pursuant to Subdivision A of this Section 9.3 shall be allowed within which a Party entitled to do so may initiate a proposal to Complete. Any such proposal shall be initiated by giving notice thereof to Unit Operator and to each Drilling Party. If no such proposal is initiated within said period and no other proposal is initiated pursuant to Article 11, Unit Operator shall plug and abandon the well for the account of the Drilling Party.

D. **Election.** If a proposal to Complete is initiated, each Party entitled to participate in the Completion attempt shall have a period of twenty-four (24) hours (exclusive of Saturdays, Sundays, and holidays) from and after receipt of such proposal within which to notify Unit Operator whether or not it elects to participate in the Completion attempt. The failure of a Party to signify its election within said 24-hour period shall be deemed an election not to participate in the Completion attempt.

E. **Effect of Election.** The Party or Parties electing to participate in an attempt to Complete a well as above provided shall constitute the Completing Party for such operation. Each Party who was entitled to make such election but failed to do so as above provided shall be a Non-Completing Party with respect to such operation. Such operation shall be conducted by Unit Operator for the account of the Party or Parties constituting the Completing Party, on an Acreage Basis among themselves, or on such other basis as the Completing Party may specify. Such operation, if successful, shall include Equipping the well for production.

F. **Rights and Obligations of Completing Party and Non-Completing Party.** Upon the commencement of a Completion operation otherwise than for the account of all Drilling Parties, the provisions of Article 12 shall be applicable to such operation.

G. **Notice Prior to Plugging.** Before plugging and abandoning any Exploratory Well which was Drilled to its projected depth and not completed as a producer of unitized substances, Unit Operator shall give the notice specified in Section 11.1 A, unless every Party entitled to the notice has consented to the plugging and abandonment of such well, in which event Unit Operator shall plug and abandon the well for the account of the Completing Party. Upon the giving of such notice, the provisions of Article 11 shall apply.

## ARTICLE 10
## REQUIRED WELLS

10.1 **Definition.** For the purpose of this Article, a well shall be deemed a Required Well if the Drilling thereof is required by a final order of the Appropriate Agency. Such an order shall be deemed final upon expiration of the time allowed for appeal therefrom without the commencement of appropriate appeal proceedings or, if such proceedings are commenced within said time, upon the final disposition of the appeal. Whenever Unit Operator receives any such order, it shall promptly mail a copy thereof to each Party. If any such order is appealed, the Party appealing shall give prompt notice thereof to Unit Operator and to each of the other Parties, and, upon final disposition of the appeal, Unit Operator shall give each Party prompt notice of the result thereof.

10.2 **Election to Drill.** Any Party desiring to Drill, or to participate in the Drilling of, a Required Well shall give to Unit Operator notice thereof within thirty (30) days after the order requiring such well becomes final or within such lesser time as may be required to insure compliance with such order. If such notice is given within said period, Unit Operator shall Drill the Required Well for the account of the Party or Parties giving such notice; provided, however, if the Required Well is a Development Well, it shall not be Drilled unless it receives the Approval of the Parties within the participating area involved. All rights and obligations with respect to the ownership of such well, the operating rights therein, the Production therefrom, and the bearing of Costs incurred therein shall be the same as if the well had been Drilled under Article 8, if the same is a Development Well, or under Article 9, if the same is an Exploratory Well or a Subsequent Test Well.

10.3 **Alternatives to Drilling.** If no Party elects to Drill a Required Well within the period allowed for such election, and if any of the following alternatives is available, the first such alternative which is available shall be followed:

A. **Compensatory Royalties.** If compensatory royalties may be paid in lieu of Drilling the well and if payment thereof receives, within said period, the Approval of the Parties who would be chargeable with the Costs incurred in Drilling the well if the well were Drilled as provided in Section 10.4, Unit Operator shall pay such compensatory royalties for the account of said Parties; or

B. **Contraction.** If the Drilling of the well may be avoided, without other penalty, by contraction of the Unit Area, Unit Operator shall make a reasonable effort to effect such contraction; or

C. **Termination.** If the Required Well is a Subsequent Test Well, the Parties shall join in termination of the Unit Agreement in accordance with its provisions.

10.4 **Required Drilling.** If none of the foregoing alternatives is available, Unit Operator shall Drill the Required Well under whichever of the following provisions is applicable:

A. **Development Well.** If the Required Well is a Development Well, it shall be Drilled by Unit Operator for the account of all Parties within the participating area in which the well is Drilled; or

B. **Exploratory Well.** If the Required Well is an Exploratory Well, the Drilling Block for such well shall consist of all forty (40) acre subdivisions and lots of the Public Land Survey of which more than one-half of the surface area is within a distance of 2,640 feet from the proposed bottom hole location of such well, but excluding therefrom all lands within any participating area theretofore

established for the pool or zone to which the well is to be Drilled. Unit Operator shall Drill such well for the account of all the Parties owning Committed Working Interests within the Drilling Block, on an Acreage Basis among themselves; and no such Party shall have the right to elect not to participate in the Drilling of said well.

## ARTICLE 11
## DEEPENING, PLUGGING BACK, AND ABANDONMENT

11.1 **Attempted Deepening or Plugging Back.** The attempted Deepening or Plugging Back of wells not completed as producers of unitized substances at their original projected depths shall be governed by the following provisions of this Section 11.1 and by the provisions of Section 11.2, unless every Party entitled to the notice provided for in Subdivision A of this Section 11.1 has consented to the plugging and abandonment of such well:

A. **Notice by Unit Operator.** Before abandoning any well which has been Drilled to its original projected depth but not completed as a producer of unitized substances, Unit Operator shall give notice of its intention to plug and abandon such well to each Drilling Party and Non-Drilling Party.

B. **Right to Initiate Proposal.** Each Party who participated in the Drilling of a well concerning which notice is given in accordance with Subdivision A of this Section 11.1 and any other Party owning a Committed Working Interest in the tract of land on which the well is located may initiate a proposal to attempt to Deepen or Plug Back such well; provided, however, if the well was Drilled as a Development Well, a proposal to Deepen or Plug Back may be initiated only by a Party owning a Committed Working Interest in the tract of land on which the well is located.

C. **Right to Participate.** In order to be entitled to participate in a Deepening or Plugging Back operation, a Party must have the right to initiate the same or must own a Committed Working Interest in the Drilling Block theretofore established for Drilling the well involved; if no Drilling Block was theretofore established for Drilling such well, the Drilling Block for such Deepening or Plugging Back operation shall be established automatically in accordance with the provisions of Subdivision B of Section 10.4, which shall be applicable hereto.

D. **Time and Manner of Initiating Proposal.** A period of twenty-four (24) hours (exclusive of Saturdays, Sundays, and holidays) from and after receipt of the notice given pursuant to Subdivision A of this Section 11.1 shall be allowed within which a Party entitled to do so may initiate a proposal to Deepen or Plug Back. Any such proposal shall be initiated by giving notice thereof to Unit Operator and to each Party entitled to participate in the proposed operation. If no such proposal is initiated within said period, Unit Operator shall plug and abandon the well for the account of the Completing Party if a Completion attempt was made or, if not, then for the account of the Drilling Party.

E. **Election.** If a proposal to Deepen or Plug Back a well is initiated, each Party entitled to participate in the operation proposed shall have a period of forty-eight (48) hours (exclusive of Saturdays, Sundays, and holidays) from and after receipt of such proposal within which to notify Unit Operator whether or not it elects to participate in the proposed operation. The failure of a Party to signify its election within said 48-hour period shall be deemed an election not to participate in the proposed operation.

F. **Effect of Election.** The Party or Parties electing to participate in an operation to Deepen or Plug Back a well as above provided shall constitute the Participating Party for such operation. Each Party who was entitled to make such election but failed to do so as above provided shall be a Non-Participating Party with respect to such operation. Such operation shall be conducted by Unit Operator for the account of the Party or Parties constituting the Participating Party, on an Acreage Basis among themselves, subject, however, to the provisions of Section 11.2 and Section 11.3. If the Party or Parties making such election do not proceed with the operation, the Costs incurred in plugging and abandoning the well shall be charged and borne as part of the Costs incurred in Drilling the well.

G. **Rights and Obligations of Participating Party and Non-Participating Party.** Upon the commencement of a Deepening or Plugging Back operation otherwise than for the account of all Parties entitled to participate therein, the provisions of Article 12 shall be applicable to such operation.

11.2 **Deepening or Plugging Back to Participating Area.** If a well within the surface boundaries of a participating area is to be Deepened or Plugged Back to the pool or zone for which such participating area was established, such operation, including the Completion of such well, may be conducted only if it receives the Approval of the Parties within such participating area, and only upon such terms and conditions as may be specified in such Approval, and upon such further terms and conditions as may be agreed to by the Parties owning interests in the well immediately prior to the commencement of any such Deepening or Plugging Back operation.

11.3 **Conflicts.** If conflicting elections to attempt to Deepen or Plug Back are made in accordance with the provisions of this Article 11, preference shall be given first to Deepening. However, if a Deepening attempt does not result in completion of the well as a producer of unitized substances, Unit Operator shall again give notice in accordance with Subdivision A of Section 11.1 before plugging and abandoning the well.

11.4 **Attempted Completion.** Except as otherwise provided in Section 11.2, the attempted Completion of a well Deepened or Plugged Back to the depth projected for such Deepening or Plugging Back operation shall be governed by the provisions of Section 9.3, unless every Participating Party has

consented to the plugging and abandonment of such well, in which event Unit Operator shall plug and abandon the well for the account of the Participating Party.

11.5 **Abandonment of Producing Wells.** A well completed as a producer of unitized substances within a participating area shall be abandoned for plugging if and when abandonment thereof receives the Approval of the Parties within such participating area, subject, however, to the provisions of Section 11.6. The abandonment of a well completed as a producer but not included in a participating area shall be governed by the following provisions:

A. **Consent Required.** Such well shall not be abandoned for production from the pool or zone in which it is Completed, except with the consent of all Parties then owning the well.

B. **Abandonment Procedure.** If the abandonment of such well receives the Approval of the Parties who own the well but is not consented to by all such Parties, Unit Operator shall give notice thereof to each Party, if any, then having an interest in the well who did not join in such Approval. Any such non-joining Party who objects to abandonment of the well (herein called Non-Abandoning Party) may give notice thereof to all other Parties (herein called Abandoning Parties) then having interests in the well, provided such notice is given within thirty (30) days after receipt of the notice given by Unit Operator. If such objection is so made, the Non-Abandoning Party or Parties shall forthwith pay to the Abandoning Parties their respective shares of the Salvage Value of the well. Upon the making of such payment, the Abandoning Parties shall be deemed to have relinquished to the Non-Abandoning Party or Parties all their operating rights and working interest in the well, but only with respect to the pool or zone in which it is then Completed, and all their interest in the materials and equipment in or pertaining to the well. If there is more than one Non-Abandoning Party, the interests so relinquished shall be owned by the Non-Abandoning Parties in the proportions which their respective interests in the well bear to the total of their interests therein immediately prior to such relinquishment.

C. **Rights and Obligations of Non-Abandoning Party.** After the relinquishment above provided for, such well shall be operated by Unit Operator for the account of the Non-Abandoning Party or Parties, who shall own all Production therefrom and shall bear all Costs, Lease Burdens, and other burdens thereafter incurred in operating the well and plugging it when abandoned (unless the well is taken over for Deepening or Plugging Back as hereinafter provided) and also the Costs of any additional tankage, flow lines, or other facilities needed to measure separately the unitized substances produced from the well. Costs shall include an overhead charge computed at the highest per well rate applicable to the operation of a single producing well in accordance with Exhibit 1, if such rate is provided.

D. **Option to Repurchase Materials.** If a well taken over by the Non-Abandoning Party or Parties as above provided is abandoned for plugging within six (6) months after relinquishment by the Abandoning Parties of their interests therein, each Abandoning Party shall have the right at its option to repurchase that portion of the materials and equipment salvaged from the well which is equal to the interest relinquished by it to the Non-Abandoning Party or Parties, at the value previously fixed therefor. Said option may be exercised only by notice given to Unit Operator and to the Non-Abandoning Party or Parties within fifteen (15) days after receipt of the notice given by Unit Operator pursuant to Section 11.6.

11.6 **Deepening or Plugging Back Abandoned Producing Wells.** Before plugging any well authorized for abandonment pursuant to Section 11.5, Unit Operator shall give notice to the Party or Parties owning Committed Working Interests in the tract of land upon which the well is located, which Parties, for the further purposes of this Section 11.6, shall constitute the Parties entitled to initiate and participate in a proposed Deepening or Plugging Back operation. Within ten (10) days after receipt of said notice, any such Party desiring the Deepening or Plugging Back of such well shall give notice thereof to Unit Operator and to each Party entitled to participate in the proposed operation; and all the provisions of Subdivisions E, F, and G of Section 11.1 shall apply in the same manner as if the proposed Deepening or Plugging Back were a proposal for the Drilling of an Exploratory Well, subject, however, to the provisions of Section 11.2 and Section 11.3. If no Party gives notice of desire to Deepen or Plug Back such well within said period of ten (10) days, or if such notice is given but no party elects to proceed with the Deepening or Plugging Back of the well within the time specified therefor, Unit Operator shall plug and abandon the well for the account of the Party or Parties owning the well.

## ARTICLE 12
## RIGHTS AND OBLIGATIONS OF DRILLING PARTY AND NON-DRILLING PARTY

12.1 **Use of Terms.** As used in this Article, the terms "Drilling Party" and "Non-Drilling Party" are to be understood as including "Completing Party" and "Non-Completing Party" and "Participating Party" and "Non-Participating Party", respectively, as such terms are used in Articles 8, 9, and 11.

12.2 **Scope of Article.** The rights and obligations of the Drilling Party and Non-Drilling Party with respect to any Drilling, Deepening, Plugging Back, or Completion operation conducted otherwise than for the account of all Parties entitled to participate therein shall be governed by the succeeding provisions of this Article 12.

12.3 **Relinquishment of Interest by Non-Drilling Party.** When any Drilling, Deepening, Plugging Back, or Completion operation is conducted otherwise than for the account of all Parties entitled to participate therein, each Non-Drilling Party, upon the commencement of such operation, shall be deemed to have relinquished to the Drilling Party, and the Drilling Party shall own, all such Non-

Drilling Party's operating rights and working interest in and to the well with respect to which such operation was conducted. In the case of a Deepening or Plugging Back operation, if a Non-Drilling Party in such operation owned an interest in the well immediately prior to the Deepening or Plugging Back, then the Drilling Party for that operation shall pay to such Non-Drilling Party its share of the Salvage Value of the well, such payment to be made at the time the well is taken over by the Drilling Party for Deepening or Plugging Back.

12.4 **Reversion of Relinquished Interest.** If, as a result of any Drilling, Deepening, Plugging Back, or Completion operation conducted otherwise than for the account of all Parties entitled to participate therein, a well is completed as a producer of unitized substances and is a Development Well or results in the establishment or enlargement of a participating area to include such well and if, by reason thereof, there is included in such participating area any land within the Drilling Block in which a Non-Drilling Party owns a Committed Working Interest, then the operating rights and working interest relinquished by such Non-Drilling Party shall revert to it at such time as the proceeds or market value of that portion of the Production obtained from the well after such relinquishment which is allocated to all the acreage of such Non-Drilling Party in the participating area involved (after deducting from such proceeds or market value all Lease Burdens and all taxes upon or measured by Production that are payable up to such time on said portion of the Production from such well) shall equal the total of the following:

A. 100% of that portion of the Costs incurred in Equipping the well and in operating the well after such relinquishment, and up to such time, that would have been charged to such Non-Drilling Party had the well been Drilled, Deepened, Plugged Back, or Completed and Equipped for the account of all Parties entitled to participate therein.

B. 400__% of that portion of the Costs incurred in Drilling, Deepening, Plugging Back, or Completing the well that would have been charged to such Non-Drilling Party had the well been Drilled, Deepened, Plugged Back, or Completed and Equipped for the account of all Parties entitled to participate therein.

However, if a Deepening or Plugging Back operation is involved, then (1) any payment made to such Non-Drilling Party as its share of the Salvage Value of the well in accordance with Section 12.3 shall be added to and deemed part of the Costs incurred in operating the well, for the purposes of Subdivision A above, and (2) if such Non-Drilling Party did not participate in the initial Drilling of the well, but the Drilling Party did participate therein, and if the interest relinquished by such Non-Drilling Party upon the initial Drilling of the well had not reverted to it before such Deepening or Plugging Back, then, for the purposes of Subdivision B above, (i) where a Plugging Back is involved, there shall be added to and deemed part of the Costs incurred in such Plugging Back the then unrecovered portion of the Costs incurred in the initial Drilling of the well down to the pool or zone in which such well is completed as a producer of unitized substances as a result of such Plugging Back, and (ii) where a Deepening is involved, there shall be added to and deemed part of the Costs incurred in such Deepening the then unrecovered portion of the Costs incurred in the initial Drilling of the well.

12.5 **Effect of Reversion.** From and after reversion to a Non-Drilling Party of its relinquished interest in a well, such Non-Drilling Party shall share, on an Acreage Basis, in the ownership of the well, the operating rights and working interests therein, the materials and equipment in or pertaining to the well, the Production therefrom, and the Costs of operating the well.

12.6 **Rights and Obligations of Drilling Party.** The Drilling Party for whom a well is Drilled, Deepened, Plugged Back, or Completed shall pay and bear all Costs incurred therein and shall own the well and the materials and equipment in the well or pertaining thereto, subject to reversion to each Non-Drilling Party of its relinquished interest in the well. If the well is a Development Well or results in the establishment or enlargement of a participating area to include the well, then, until reversion to a Non-Drilling Party of its relinquished interest, the Drilling Party shall own that portion of the Production obtained from the well after such relinquishment which is allocated to all the acreage of such Non-Drilling Party in the participating area involved and shall pay and bear (a) that portion of the Costs incurred in operating the well that otherwise would be charageable to such Non-Drilling Party and (b) all Lease Burdens that are payable with respect to that portion of the Production from such well which is allocated to the acreage of such Non-Drilling Party. If the Drilling Party includes two or more Parties, the burdens imposed upon and the benefits accruing to the Drilling Party shall be shared by such Parties on an Acreage Basis among themselves.

12.7 **Accounting Due Non-Drilling Party.** In the event a relinquishment of interest by a Non-Drilling Party occurs pursuant to any provision of this Agreement with respect to any well and Production is had from such well, Unit Operator shall furnish each Non-Drilling Party, upon its request, all information referred to in Subdivision F of Section 16.1 and, in addition, the following:

A. an itemized statement of the Costs of the operation in which the Non-Drilling Party did not participate; and

B. until reversion occurs, a monthly itemized statement of the Costs incurred in operating said well, the quantity of Production obtained therefrom, the proceeds received from the sale of such Production, and the Lease Burdens paid with respect thereto.

12.8 **Stand-By Rig Time.** Stand-by time for the rig on a well for the period of time allowed for the initiation of a proposal and for the response thereto shall be charged and borne as part of the Costs incurred in the operation just completed. Stand-by time subsequent to said period of time shall be charged to and borne as Costs incurred in the proposed operation, unless no Party elected to participate therein.

12.9 **Subsequently Created Lease Burdens.** Anything herein to the contrary notwithstanding, if, subsequent to the date of this Agreement, any Party shall create an overriding royalty, production payment, net proceeds interest, carried interest, or any other interest out of its Committed Working Interest and at any time become a Non-Drilling Party with respect to any operation conducted under this Agreement, then the Drilling Party entitled to receive the share of Production to which the Non-Drilling Party would otherwise be entitled shall receive the same free and clear of any such burden, and the Non-Drilling Party who created such burden shall hold the Drilling Party harmless with respect thereto.

[redacted] [redacted] (The next page is 11) [redacted]

## ARTICLE 13
## ADJUSTMENT ON ESTABLISHMENT OR CHANGE OF PARTICIPATING AREA

13.1 **When Adjustment Made.** Whenever, in accordance with the Unit Agreement, a participating area is established, or revised by contraction or enlargement, and whenever two or more participating areas are combined (the participating area resulting from such establishment, revision, or combination being hereinafter referred to as a "resulting area"), an adjustment shall be made in accordance with the succeeding provisions of this Article 13, as of the date on which the establishment, revision, or combination that creates such resulting area becomes effective, such date being hereinafter referred to as the "effective date" of such resulting area. For the purposes of this Article 13, all Costs of a usable well shall be deemed to have been incurred on the date the well was Completed.

13.2 **Definitions.** As used in this Article 13:

A. **"Usable well"** within a resulting area means a well which is either (1) completed in and capable of producing unitized substances from a pool or zone for which the resulting area was created or (2) used as a disposal well, injection well, or otherwise in connection with the production of unitized substances from such resulting area.

B. **"Intangible value"** of a usable well within a resulting area means the amount of those Costs incurred in Drilling, Completing, and Equipping such well, down to the deepest pool or zone for which such resulting area was created, which contribute to the production of unitized substances therefrom and which are properly classified as intangible costs in conformity with accounting practices generally accepted in the industry, reduced at the following rates for each month during any part of which such well was operated prior to the effective date of such resulting area:

(1) .5 % per month for a cumulative total of 60 months, and

(2) 0 % per month for each month in excess of said cumulative total.

C. **"Tangible property"** serving a resulting area means any kind of tangible property (whether or not in or pertaining to a well) which has been acquired for use in or in connection with the production of unitized substances from such resulting area or any portion thereof, and the cost of which has been charged as Costs pursuant to this Agreement.

D. **"Value"** of tangible property means the amount of Costs incurred in the construction or installation thereof (except installation costs properly classified as part of the intangible costs incurred in connection with a well), reduced, in the case of tangible property which is generally regarded as depreciable, at the rate of .5 % per month for each month during any part of which such well has been operated prior to the effective date of such resulting area.

13.3 **Method of Adjustment on Establishment or Enlargement.** As promptly as reasonably possible after the effective date of a resulting area created by the establishment or enlargement of a participating area, and as of such effective date, an adjustment shall be made in accordance with the following provisions, except to the extent otherwise specified in Section 13.6:

A. The intangible value of each usable well within such resulting area on the effective date thereof shall be credited to the Party or Parties owning such well immediately prior to such effective date, in proportion to their respective interests in such well immediately prior to such effective date. The total amount so credited as the intangible value of usable wells shall be charged to all Parties within the resulting area on an Acreage Basis.

B. The value of each item of tangible property serving the resulting area on the effective date thereof shall be credited to the Party or Parties owning such item immediately prior to such effective date, in proportion to their respective interests in such item immediately prior to such effective date. The total amount so credited as the value of the tangible property shall be charged to all Parties within the resulting area on an Acreage Basis.

C. If a resulting area, on the effective date thereof, is served by any tangible property or usable well which also serves another participating area or other participating areas, the value of such tangible property and usable well (including the intangible value thereof) shall be determined in accordance with Subdivision D of Section 13.2, and such value shall be fairly apportioned between such resulting area and such other participating area or areas, provided that such apportionment receives the Approval of the Parties in each participating area concerned. That portion of the value of such tangible property and usable well (including the intangible value thereof) which is so apportioned to the resulting area shall be included in the adjustment made as of the effective date of such resulting area in the same manner as is the value of tangible property serving only the resulting area.

D. The credits and charges above provided for shall be made by Unit Operator in such manner that an adjustment shall be made for the intangible value of usable wells separate and apart from an adjustment for the value of tangible property. On each such adjustment, each Party who is charged an amount in excess of the amount credited to it shall pay to Unit Operator the amount of such excess, which shall be considered as Costs chargeable to such Party for all purposes of this Agreement; and such amount, when received by Unit Operator, shall be distributed or credited to the Parties who, in such adjustment, are credited with amounts in excess of the amounts charged to them respectively.

13.4 **Method of Adjustment on Contraction.** As promptly as reasonably possible after the effective date of a contraction of a participating area, an adjustment shall be made with each Party owning a

Committed Working Interest in land excluded from the participating area by such contraction (such Committed Working Interest being hereinafter in this Section referred to as "excluded interest") in accordance with the following provisions:

A. An adjustment for intangibles shall be made in accordance with Subdivision B of this Section 13.4, and a separate adjustment for tangibles shall be made in accordance with Subdivision C of this Section 13.4.

B. Such Party shall be credited with the sum of (1) the total amount theretofore charged against such Party with respect to its excluded interest, pursuant to the provisions of Exhibit 1, as intangible Costs incurred in the development and operation of the participating area prior to the effective date of such contraction, plus (2) the total amount charged against such Party with respect to such excluded interest as intangible value of usable wells in any previous adjustment or adjustments made upon the establishment or revision of such participating area. Such Party shall be charged with the sum of (1) the market value of that portion of the Production from such participating area which, prior to the effective date of such contraction, was delivered to such Party with respect to such excluded interest, less the amount of Lease Burdens and taxes paid or payable on said portion, plus (2) the total amount credited to such Party with respect to such excluded interest as intangible value of usable wells in any previous adjustment or adjustments made upon the establishment or revision of such participating area. Any difference between the amount of said credit and the amount of said charge shall be adjusted as hereinafter provided.

C. Such Party shall be credited with the sum of (1) the total amount theretofore charged against such Party with respect to its excluded interest, pursuant to the provisions of Exhibit 1, as Costs other than intangible Costs incurred in the development and operation of the participating area prior to the effective date of such contraction, plus (2) the total amount charged against such Party with respect to its excluded interest as value of tangible property in any previous adjustment or adjustments made upon the establishment or revision of such participating area, plus (3) the excess, if any, of the credit provided for in Subdivision B of this Section 13.4 over the charge provided for in said Subdivision B. Such Party shall be charged with the sum of (1) the excess, if any, of the charge provided for in said Subdivision B over the credit therein provided for, plus (2) the total amount credited to such Party with respect to its excluded interest as value of tangible property in any previous adjustment or adjustments made upon the establishment or revision of such participating area.

D. If the charge provided for in Subdivision C of this Section 13.4 is equal to or greater than the credit therein provided for, no adjustment shall be made with such Party. However, if the credit provided for in said Subdivision C is in excess of the charge therein provided for, such excess shall be charged on an Acreage Basis against Parties who remain in the participating area after such contraction and shall be paid by said Parties to Unit Operator upon receipt of invoices therefor. Such payments, when received by Unit Operator, shall be paid by it to the Party owning such excluded interest.

13.5 **Ownership of Wells and Tangible Property.** From and after the effective date of a resulting area, all usable wells within such resulting area and all tangible property serving such resulting area shall be owned by the Parties within such area on an Acreage Basis, except that (a) in the case of tangible property serving a participating area or participating areas in addition to the resulting area, only that undivided interest therein which is proportionate to that portion of the value thereof which is included in the adjustment provided for shall be owned by the Parties within the resulting area on an Acreage Basis, and (b) if a Party within the resulting area was a Non-Drilling Party for a well which is a usable well within such resulting area on the effective date thereof, and if the relinquished interest of such Non-Drilling Party in such well has not reverted to it prior to such effective date, the Drilling Party for such well shall own the interest therein that would otherwise be owned by such Non-Drilling Party until reversion to such Non-Drilling Party of its relinquished interest in such well.

13.6 **Relinquished Interest of Non-Drilling Parties.** If the interest relinquished by a Non-Drilling Party in a well which is a usable well within a resulting area on the effective date thereof has not reverted to it prior to such effective date, then insofar, but only insofar, as they relate to such well, the adjustments provided for in Section 13.3 shall be subject to the following provisions, wherein the sum of the intangible value of such well, plus the value of the tangible property in or pertaining thereto, is referred to as the "value" of such well:

A. The Drilling Party for such well shall be charged with that part of the value of the well that would otherwise be chargeable to such Non-Drilling Party with respect to (1) such Non-Drilling Party's Committed Working Interest or Interests in the participating area in which the well was Drilled, as such participating area existed when the Drilling of the well was commenced, if the well was Drilled as a Development Well, or (2) the Committed Working Interest or Interests of such Non-Drilling Party which entitled it to participate in the Drilling, Deepening, Plugging Back, or Completion of the well, if it was Drilled, Deepened, Plugged Back, or Completed otherwise than as a Development Well. However, such Non-Drilling Party shall be charged with such part, if any, of the value of such well as is chargeable to it, in accordance with Subdivisions A and B of Section 13.3, with respect to its Committed Working Interests other than those referred to in (1) and (2) above.

B. If that part of the value of such well which would have been credited to such Non-Drilling Party if the well had been Drilled, Deepened, Plugged Back, or Completed for the account of all Parties entitled to participate therein exceeds the amount provided in Subdivison A of this Section 13.6 to be charged against the Drilling Party, such excess shall be applied against the reimburse-

ment to which the Drilling Party is entitled out of Production that would otherwise accrue to such Non-Drilling Party. Any balance of such excess over the amount necessary to complete such reimbursement shall be credited to such Non-Drilling Party.

## ARTICLE 14
## SUPERVISION OF OPERATIONS BY PARTIES

**14.1 Right of Supervision.** Each operation conducted by Unit Operator under this Agreement or the Unit Agreement shall be subject to supervision and control in accordance with the succeeding provisions of this Article 14 by the Parties who are chargeable with the Costs thereof.

**14.2 Voting Control.** In the supervision of an operation conducted by Unit Operator, the Parties chargeable with the Costs of such operation shall have the right to vote in proportion to their respective obligations for such Costs. The Parties having the right to vote on any other matter shall vote thereon on an Acreage Basis. Except as provided for in the Unit Agreement and except as otherwise specified in this Agreement (particular reference being made to Section 25.1, Section 27.1, and that portion of Section 11.5 relating to abandonment of producing wells outside of a participating area), the affirmative vote of Parties having 65 % or more of the voting power on any matter which is proper for action by them shall be binding upon all Parties entitled to vote thereon; provided, however, if one Party voting in the affirmative has 65 % or more but less than 75 % of the voting power, the affirmative vote of such Party shall not be binding upon the Parties entitled to vote thereon unless its vote is supported by the affirmative vote of at least one additional Party; and provided further, that if one Party voting in the negative or failing to vote has more than 35 % but less than 50% of the voting power, the affirmative vote of the Parties having a majority of the voting power shall be binding upon all Parties entitled to vote unless there is a negative vote of at least one additional Party. In the event only two Parties are entitled to vote, the vote of the one with the greater interest shall prevail. If only one Party is entitled to vote, such Party's vote shall control. A Party failing to vote shall not be deemed to have voted either in the affirmative or in the negative. Any Approval or Direction provided for in this Agreement which receives the affirmative vote above specified shall be deemed given by and shall be binding upon all Parties entitled to vote thereon, except where the vote of a larger percentage is specifically required.

**14.3 Meetings.** Any matter which is proper for consideration by the Parties, or any of them, may be considered at a meeting held for that purpose. A meeting may be called by Unit Operator at any time, and a meeting shall be called by Unit Operator upon written request of any Party having voting power on any matter to be considered at the meeting. At least ten (10) days in advance of each meeting, Unit Operator shall give each Party entitled to vote thereat notice of the time, place, and purpose of the meeting. Unit Operator's representative shall be the Chairman of such meeting.

**14.4 Action Without Meeting.** In lieu of calling a meeting, Unit Operator may submit any matter which is proper for consideration by the Parties, or any of them, by giving to each such Party notice, describing in adequate detail the matter so submitted. Each Party entitled to vote on any matter so submitted shall communicate its vote thereon to Unit Operator within such period as may be designated in the notice given by Unit Operator (which period shall be not less than ten (10) nor more than thirty (30) days); provided, however, if, within ten (10) days after submission of such matter, request is made for a meeting in accordance with Section 14.3, such matter shall be considered only at a meeting called for that purpose. If a meeting is not required, then, at the expiration of the period designated in the notice given by it, Unit Operator shall give to each Party entitled to vote thereon notice, stating the tabulation and result of the vote.

**14.5 Representatives.** Promptly after execution of this Agreement, each Party, by notice to all other Parties, shall designate a representative authorized to vote for such Party and may designate an alternate authorized to vote for such Party in the absence of its representative. Any such designation of a representative or alternate representative may be revoked at any time by notice given to all other Parties, provided such notice designates a new representative or alternate representative, as the case may be.

**14.6 Audits.** Audits may be made of Unit Operator's records and books of account pertaining to operations hereunder, as provided in Exhibit 1.

**14.7 Extraneous Projects.** Nothing contained in this Agreement shall be deemed to authorize the Parties, by vote or otherwise, to act upon any matter or to authorize any expenditure unless such matter or expenditure relates to the conduct of operations authorized by the Unit Agreement or this Agreement.

## ARTICLE 15
## UNIT OPERATOR'S POWERS AND RIGHTS

**15.1 In General.** Subject to the limitations set forth in this Agreement, all operations authorized by the Unit Agreement and this Agreement shall be managed and conducted by Unit Operator. Unit Operator shall have exclusive custody of all materials, equipment, and any other property used in connection with any operation within the Unit Area.

**15.2 Employees.** All individuals employed by Unit Operator in the conduct of operations hereunder shall be the employees of Unit Operator alone; and their working hours, rates of compensation, and all other matters relating to their employment shall be determined solely by Unit Operator.

**15.3 Non-Liability.** Unit Operator shall not be liable to any Party for anything done or omitted to be done by it in the conduct of operations hereunder, except in case of bad faith.

**15.4 Force Majeure.** The obligations of Unit Operator hereunder shall be suspended to the extent

that, and only so long as, performance thereof is prevented by fire, action of the elements, strikes or other differences with workmen, acts of civil or military authorities, acts of the public enemy, restrictions or restraints imposed by law or by regulation or order of governmental authority, whether Federal, State, or local, inability to obtain necessary rights of access, or any other cause reasonably beyond the control of Unit Operator, whether or not similar to any cause above enumerated. Whenever performance of its obligations is prevented by any such cause, Unit Operator shall give notice thereof to the Parties as promptly as is reasonably practicable.

15.5 **Lien.** Each of the Parties hereby grants to Unit Operator a lien upon its Committed Working Interests, its interest in all jointly owned materials, equipment, and other property, and its interest in all Production, as security for payment of Costs chargeable to it, together with any interest payable thereon. In addition to Unit Operator's rights under the foregoing lien, and as a secured party, Unit Operator shall be entitled to the benefit of any statutory operator's lien provided for in the jurisdiction in which the Unit Area is located. Unit Operator may, but need not, bring an action at law or in equity to enforce collection of such indebtedness, with or without foreclosure of such lien, and, in addition, shall have all rights provided under the terms of the Uniform Commercial Code or of any other law. In addition to the foregoing, and not in limitation thereof, upon default by any Party in the payment of Costs chargeable to it, Unit Operator shall have the right to collect and receive proceeds from the purchaser of such Party's share of Production, up to the amount owing by such Party, plus interest at the rate of __*__% per annum until paid. Each such purchaser shall be entitled to rely upon Unit Operator's statement concerning the existence and amount of any such default. None of the remedies or rights specified above shall be deemed exclusive, and the exercise of any such remedy or right shall not be deemed an election of remedies and shall not affect enforceability of the foregoing lien or security interest.

15.6 **Advances.** Unit Operator, at its election, shall have the right from time to time to demand and receive from the Parties chargeable therewith payment in advance of their respective shares of the estimated amount of Costs to be incurred during any month, which right may be exercised only by submission to each such Party of a properly itemized statement of such estimated Costs, together with an invoice for its share thereof. Each such statement and invoice for the payment in advance of estimated Costs for any month shall be submitted on or about the twentieth (20th) day of the next preceding month. The amount of each such invoice shall be payable within fifteen (15) days after receipt thereof and thereafter shall bear interest at the rate of *__% per annum until paid. Proper adjustment shall be made monthly between such advances and Costs, to the end that each Party shall bear and pay its proportionate share of Costs incurred and no more. Unit Operator may request advance payment or security for the total estimated Costs to be incurred in a particular Drilling, Deepening, Plugging Back, or Completing operation and, notwithstanding any other provisions of this Agreement, shall not be obligated to commence such operation unless and until such advance payment is made or Unit Operator is furnished security acceptable to it for such payment by the Party or Parties chargeable therewith.

15.7 **Use of Unit Operator's Drilling Equipment.** Any Drilling, Deepening, or Plugging Back operation conducted hereunder may be conducted by Unit Operator with its own tools and equipment, provided that the rates to be charged and the applicable terms and conditions are set forth in a form of drilling contract which receives the Approval of the Party or Parties chargeable with the Costs of such operation, except that in any case where Unit Operator alone constitutes the Drilling Party, such form shall receive the Approval of the Parties within the participating area or other designated area for such well prior to the commencement of such operation.

15.8 **Rights as Party.** As an owner of a Committed Working Interest, the Party acting as Unit Operator shall have the same rights and obligations hereunder as if it were not Unit Operator. In each instance where this Agreement requires or permits a Party to give notice, consent, or approval to Unit Operator, such notice, consent, or approval shall be deemed properly given by the Party acting as Unit Operator if and when given to all other Parties entitled to give or receive such notice, consent, or approval.

* 2% above the prime rate at the Chase Manhattan Bank of New York City

## ARTICLE 16
## UNIT OPERATOR'S DUTIES

16.1 **Specific Duties.** In the conduct of operations hereunder, Unit Operator shall:

A. **Drilling of Wells.** Drill, Deepen, Plug Back, or Complete a well or wells only in accordance with the provisions of this Agreement.

B. **Compliance with Laws and Agreements.** Comply with the provisions of the Unit Agreement, all applicable laws and governmental regulations (whether Federal, State, or local), and Directions of the Parties pursuant to this Agreement. In case of conflict between such Directions and the provisions of the Unit Agreement or such laws or regulations, the provisions of the Unit Agreement or such laws or regulations shall govern.

C. **Consultation with Parties.** Consult freely with the Parties within the area affected by any operation hereunder and keep them advised of all matters arising in operations hereunder which Unit Operator deems important, in the exercise of its best judgment.

D. **Payment of Costs.** Pay all costs incurred in operations hereunder promptly as and when due and payable and keep the Committed Working Interests and all property used in connection with operations under this Agreement free from liens which may be claimed for the payment of such Costs, except any such lien which it disputes, in which event Unit Operator may contest the disputed lien upon giving notice thereof to the Parties affected thereby.

E. Records. Keep full and accurate records of all Costs incurred and of all controllable materials and equipment, which records, and receipts and vouchers in support thereof, shall be available for inspection by authorized employees or agents of the Parties at reasonable intervals during usual business hours at the office of Unit Operator.

F. Information. Furnish promptly to each Party chargeable with Costs of the operation involved and to each additional Party who makes timely written request therefor (1) copies of Unit Operator's authorizations for expenditures or itemizations of estimated expenditures in excess of Fifteen Thousand Dollars ($ 15,000 ), (2) copies of all drilling reports, well logs, and State and Federal reports, (3) samples of cores and cuttings taken from wells Drilled hereunder, to be delivered at the well in containers furnished by the Party requesting same, and (4) such other and additional information or reports as may be required by Direction of the Parties within the area affected. If multiple copies of any such materials are requested by any Party, Unit Operator may charge the cost thereof directly to the requesting Party.

G. Access to Unit Area. Permit each Party, through its authorized employees or agents, but at such Party's sole risk and expense, to have access to the Unit Area at all times and to the derrick floor of each well Drilled or being Drilled hereunder, for the purpose of observing operations conducted hereunder and inspecting materials, equipment, or other property used in connection with operations under this Agreement and to have access at reasonable times to information and data in the possession of Unit Operator concerning Unit operations.

16.2 Insurance.

A. Unit Operator's. Unit Operator shall comply with the Workmen's Compensation Law of the State in which the Unit Area is located. Unit Operator shall also maintain in force at all times with respect to operations hereunder such other insurance, if any, as may be required by law. In addition, Unit Operator shall maintain such other insurance, if any, as is described in Exhibit 3 or as receives the Approval of the Parties from time to time. Unit Operator shall carry no other insurance for the benefit of the Parties, except as above specified. Upon request of any Party, Unit Operator shall furnish evidence of insurance carried by it with respect to operations hereunder.

B. Contractors'. Unit Operator shall require all contractors engaged in operations under this Agreement to comply with the Workmen's Compensation Law of the State in which the Unit Area is located and to maintain such other insurance as may be required by Direction of the Parties.

C. Automotive Equipment. In the event Automobile Public Liability insurance is specified in Exhibit 3 or subsequently receives the Approval of the Parties, no direct charge shall be made by Unit Operator for premiums paid for such insurance for Unit Operator's fully owned automotive equiment.

16.3 Non-Discrimination. In connection with the performance of work under this Agreement, Unit Operator agrees to comply with the provisions of Exhibit 4.

Unit Operator agrees to insert non-discrimination provisions in all subcontracts hereunder, as required by law or regulation.

16.4 Drilling Contracts. Each Drilling, Deepening, Plugging Back, or Completing operation conducted hereunder, and not performed by Unit Operator with its own tools and equipment in accordance with Section 15.7, shall be performed by a reputable drilling contractor having suitable equipment and personnel, under written contract between Unit Operator and the contractor, at the most favorable rates and on the most favorable terms and conditions bid, if bids were obtained, but otherwise at rates and on terms and conditions receiving the Approval of the Parties.

16.5 Uninsured Losses. Any and all payments made by Unit Operator in the settlement or discharge of any liability to third persons (whether or not reduced to judgment) arising out of an operation conducted hereunder and not covered by insurance herein provided for shall be charged as Costs and borne by the Party or Parties for whose account such operation was conducted.

## ARTICLE 17
## LIMITATIONS ON UNIT OPERATOR

17.1 Specific Limitations. In the conduct of operations hereunder, Unit Operator shall not, without first obtaining the Approval of the Parties:

A. Change in Operations. Make any substantial change in the basic method of operation of any well, except in the case of an emergency.

B. Limit on Expenditures. Undertake any project reasonably estimated to require an expenditure in excess of Twenty-five Thousand Dollars ($ 25,000 ); provided, however, that (1) Unit Operator is authorized to make all usual and customary operating expenditures that are required in the normal course of producing operations, (2) whenever Unit Operator is authorized to conduct a Drilling, Completing, or Deepening or Plugging Back operation, or to undertake any other project, in accordance with this Agreement, Unit Operator shall be authorized to make all reasonable and necessary expenditures in connection therewith, and (3) in case of emergency, Unit Operator may make such immediate expenditures as may be necessary for the protection of life or property, but notice of such emergency shall be given to all Parties as promptly as reasonably possible.

C. Partial Relinquishment. Make any partial relinquishment of its rights as Unit Operator, appoint any sub-operator, or execute any Designation of Agent.

**D. Settlement of Claims.** Pay in excess of Twenty-five Thousand Dollars ($25,000) in settlement of any claim (other than Workmen's Compensation claims) for injury to or death of persons or for loss of or damage to property.

**E. Determinations.** Make any of the determinations provided in the Unit Agreement to be made by Unit Operator, except as otherwise specified in this Agreement.

## ARTICLE 18
## TITLES

**18.1 Representation of Ownership.** Each Party represents to all other Parties that, to the best of its knowledge and belief, its ownership of Committed Working Interests in the Unit Area is that set out in Exhibit B to the Unit Agreement. If it develops that any such ownership is incorrectly stated, the rights and responsibilities of the Parties shall be governed by the provisions of this Article 18, but such erroneous statement shall not be a cause for canceling or terminating this Agreement.

**18.2 Title Papers to be Furnished.**

**A. Lease Papers.** Each Party, after executing this Agreement, shall upon request promptly furnish Unit Operator with copies of all leases, assignments, options, and other contracts which it has in its possession relating to its Committed Working Interests.

**B. Title Papers for Initial Test Well.** Promptly after the effective date of this Agreement each Party within the area described as the Title Examination Area in Exhibit 2 shall, at its own expense but without responsibility for the accuracy thereof, furnish Unit Operator with the following title materials relating to all lands within such area in which it owns Committed Working Interests:

(1) Abstracts of title based upon the County records, certified to the current date;

(2) All lease papers, or copies thereof, mentioned in Subdivision A of this Section 18.2 which the Party has in its possession and which have not been previously furnished to Unit Operator;

(3) Copies of any title opinions which the Party has in its possession;

(4) If Federal lands are involved, status reports of current date, setting forth the entries found in the BLM State Office for such lands, and also certified copies of the Serial Registers for the Federal leases involved;

(5) If State lands are involved, status reports of current date, setting forth the entries found in the State records for such lands; and

(6) If Indian lands are involved, status reports of current date, setting forth the entries found in the Bureau of Indian Affairs Agency Realty Office having jursidiction over such lands and in the Bureau of Indian Affairs Land Titles and Records Office having jurisdiction over such lands.

**C. Title Papers for Subsequent Wells.** Any Party who proposes the Drilling of a Subsequent Test Well or Exploratory Well shall, at the time of giving notice for such proposed well, designate a title examination area not exceeding 2560 acres and not including any lands within a participating area. When the Drilling of a Development Well receives the Approval of the Parties within the participating area in which it is to be Drilled, a title examination area covering lands outside any participating area may be designated by the Approval of such Parties. Each Party within any such title examination area shall, at its own expense and upon request, furnish Unit Operator with the title materials listed in Subdivision B of this Section 18.2 not previously furnished, relating to all lands within such area in which it owns Committed Working Interests.

**D. Title Papers on Establishment or Enlargement of a Participating Area.** Upon the establishment or the enlargement of a participating area, each Party shall promptly furnish Unit Operator all the title materials listed in Subdivision B of this Section 18.2 not previously furnished, relating to all its Committed Working Interests in the lands lying within such participating area as established or enlarged.

**18.3 Title Examination.** Promptly after all title materials delivered pursuant to Section 18.2 have been received, Unit Operator shall deliver the same to an attorney or attorneys approved by the Parties within the title examination area. Unit Operator shall arrange to have said materials examined promptly by such attorney or attorneys and shall distribute copies of title opinions to all Parties within the title examination area as soon as they are received. Each Party shall be responsible, at its expense, for curing its own titles. After a reasonable time, not exceeding thirty (30) days, has been allowed for any necessary curative work, Unit Operator shall submit to each Party written recommendations for approval or disapproval of the title to each Committed Working Interest involved, and thereafter the Parties shall advise Unit Operator in writing, within fifteen (15) days after receipt of such recommendations, of approval or disapproval of titles. Unless otherwise agreed, the cost of all title examinations made under this Section 18.3 shall be charged as part of the Costs of Drilling the well for which such title examination was made.

**18.4 Option for Additional Title Examination.** Any Party who furnishes materials for title examination pursuant to Section 18.2 shall have the right to examine all materials furnished Unit Operator. If such additional, independent title examination is elected, it shall be at the sole cost and expense of the Party electing to perform the same; and such Party shall bear any expense which may be necessary to reproduce title materials for its use, if required. Whether or not such additional title examination is elected, each Party shall have the right to approve or disapprove titles according to the provisions of this Article 18.

18.5 **Approval of Titles Prior to Drilling.** Where the Committed Working Interests within a title examination area are owned by more than one Party, no Drilling shall be conducted in such area until titles to the Committed Working Interests therein have received the Approval of the Parties as hereinafter in this Section provided. If a Drilling Block has been designated for the Drilling of a well, such well shall not be Drilled until titles to the Committed Working Interests within the title examination area established for such well have received the Approval of the Parties within the Drilling Block in which such well is to be Drilled. Approval of title to lands within a Drilling Block shall be binding upon all Parties owning Committed Working Interests within such Drilling Block. If lands outside a participating area are included in the title examination area for a Development Well, such well shall not be Drilled until titles to the Committed Working Interests within such title examination area have received the Approval of the Parties therein. In the event Approval of the Parties is not obtained as in this Section 18.5 provided, the Drilling Party (whether one or more) may proceed with the Drilling of the well; but said Drilling Party (a) shall, by so proceeding, assume all risk attending the failure to obtain such approval to the same extent as if approval of titles to all lands within the Drilling Block (if one has been established) or within the title examination area (in all other instances) had been obtained, and (b) shall also be deemed to have given its approval to the titles to all lands within the Drilling Block (if one has been established) or within the title examination area (in all other instances).

18.6 **Approval of Titles Prior to Inclusion of Land in a Participating Area.** Where the Committed Working Interests within a participating area are owned by more than one Party, no Committed Working Interest shall be included within said participating area or be entitled to participate in the Production of unitized substances from said participating area until title to such Committed Working Interest has received the Approval of the Parties within said participating area. Approval of titles to lands within a participating area shall be binding upon all Parties within such participating area and all Parties coming within such participating area upon any enlargement thereof.

18.7 **Failure of Title to Committed Working Interest Before Approval.** If title to a Committed Working Interest shall fail in whole or in part prior to receiving the Approval of the Parties, the Parties who improperly claimed said interest shall sustain the entire loss occasioned by such failure of title and do hereby expressly relieve and indemnify Unit Operator and all other Parties from and against any and all liability on account thereof.

18.8 **Failure of Title to Committed Working Interest After Approval.** If title to a Committed Working Interest which has received the Approval of the Parties under Section 18.5 fails in whole or in part at a time when the tract affected thereby is within an active Drilling Block or within a Drilling Block upon which a well has been completed otherwise than as a producer of unitized substances in Paying Quantities, or if title to a Committed Working Interest which has received the Approval of the Parties under Section 18.6 fails in whole or in part at a time when the tract affected thereby is within a participating area, then:

A. the loss, the cost of litigation, and any ensuing liability shall be borne by the Parties having interests in the affected participating area or Drilling Block (including the Party whose Committed Working Interest has been lost and including the acreage of such Committed Working Interest);

B. there shall be relinquished to the Party whose Committed Working Interest has been lost such proportionate part of each of the other Committed Working Interests in the lands within such affected participating area or Drilling Block, subject to a like proportion of their respective Lease Burdens, as may be necessary to make the loss of such Committed Working Interest a joint loss of the Parties within such participating area or Drilling Block; and

C. the relinquished portions of said Committed Working Interests (subject to their proportionate part of the Lease Burdens attributable thereto) shall be deemed owned by the Party receiving same.

18.9 **Joinder by True Owner.** If title to a Committed Working Interest fails in whole or in part, such Committed Working Interest shall no longer be subject to this Agreement or the Unit Agreement. The true owner of a Committed Working Interest, title to which has failed, may join in this Agreement or enter into a separate Operating Agreement with the Parties to this Agreement upon such terms and conditions as receive the Approval of the Parties within the Unit Area and subject to any valid claims by the true owner.

18.10 **Title Challenge.** In the event of any suit or action challenging the title of any Party to any of the oil and gas rights committed by said Party to this Agreement and to the Unit Agreement, the Party served will immediately notify the other Parties, and the Party whose title has been challenged shall forthwith take over and be in charge of the conduct of the litigation and shall bear the entire cost of such litigation, unless the title has previously received the Approval of the Parties, in which event the provisions of Section 18.8 shall apply.

## ARTICLE 19
## UNLEASED INTERESTS

19.1 **Treated as Leased.** If a Party owns in fee all or any part of the oil and gas rights in any tract within the Unit Area which is not subject to any oil and gas lease or other contract in the nature thereof, such Party shall be deemed to own a Committed Working Interest in such tract and also a royalty interest therein in the same manner as if such Party's oil and gas rights in such tract were covered by the form of oil and gas lease attached as Exhibit 5.

19.2 **Execution of Lease.** In any provision of this Agreement where reference is made to an assignment or conveyance by any Party of its Committed Working Interest to any other Party, each such reference as to any Party owning an unleased interest shall be interpreted to mean that such Party shall

execute an oil and gas lease to such other Party in the form of Exhibit 5, which shall satisfy the requirement for an assignment or conveyance of a Committed Working Interest.

## ARTICLE 20
## RENTALS AND LEASE BURDENS

20.1 **Rentals.** Each Party shall be obligated to pay any and all rentals and other sums (other than Lease Burdens) payable upon or with respect to its Committed Working Interests, subject, however, to the right of each Party to surrender any of its Committed Working Interests in accordance with Article 27. Upon request, each Party shall furnish to Unit Operator satisfactory evidence of the making of such payments. However, no Party shall be liable to any other Party for unintentional failure to make any such payment, provided it has acted in good faith.

20.2 **Lease Burdens.** Each Party entitled to receive a share of Production shall be obligated for any and all payments, whether in cash or in kind, accruing to any and all Lease Burdens, net profits interests, carried interests, and any similar interest payable with respect to such share or the proceeds thereof; provided, however, at any time any such Party entitled to receive Production is not taking in kind or separately disposing of its share, that portion of such Production or the proceeds thereof (at the option of such Party) accruing to such Lease Burdens shall, upon request, be distributed to such Party.

20.3 **Loss of Committed Working Interest.** If a Committed Working Interest is lost through failure to make any payment above provided to be made by the Party owning the same, such loss shall be borne entirely by such Party; provided, however, if the Committed Working Interest so lost covers land within a participating area, the provisions of Section 18.8 shall apply.

## ARTICLE 21
## TAXES

21.1 **Payment.** Any and all ad valorem and severance taxes payable upon Committed Working Interests (and upon Lease Burdens which are not payable by the owners thereof) or upon materials, equipment, or other property acquired and held by Unit Operator hereunder, and any and all taxes (other than income taxes) upon or measured by unitized substances produced from the Unit Area which are not payable by the purchaser or purchasers thereof or by the owner of Lease Burdens shall be paid by Unit Operator as and when due and payable.

21.2 **Apportionment.** Taxes upon materials, equipment, and other property acquired and held by Unit Operator hereunder shall be charged to and borne by the Parties owning the same in proportion to their respective interests therein. All taxes paid by Unit Operator upon or measured by the value of Production shall be charged to and borne by the Parties owning the same in the same proportions as the assessed values of their respective portions of such Production bear to the whole thereof. All other taxes paid by Unit Operator shall be charged to and borne by the Parties in proportion to their ownership in the Committed Working Interests or unitized substances (as the case may be) upon which or with respect to which such taxes are paid. All reimbursements from owners of Lease Burdens, whether obtained in cash or by deduction from Lease Burdens, on account of any taxes paid for such owners shall be paid or credited to the Parties in the same proportions as such taxes were charged to such Parties.

21.3 **Transfer of Interests.** In the event of a transfer by one Party to another under the provisions of this Agreement of any Committed Working Interest or of any other interest in any well or in the materials and equipment in any well, or in the event of the reversion of any relinquished interest as in this Agreement provided, the taxes above mentioned assessed against the transferred or reverted interest for the taxable period in which such transfer or reversion occurs shall be apportioned among said Parties so that each shall bear the percentage of such taxes which is proportionate to that portion of the taxable period during which it owned such interest.

21.4 **Notices and Returns.** Each Party shall promptly furnish Unit Operator with copies of notices, assessments, levies, or tax statements received by it pertaining to the taxes to be paid by Unit Operator. Unit Operator shall make such returns, reports, and statements as may be required by law in connection with any taxes above provided to be paid by it and shall furnish copies to the Parties upon request. It shall notify the Parties of any tax which it does not propose to pay before such tax becomes delinquent.

## ARTICLE 22
## WITHDRAWAL OF TRACTS AND UNCOMMITTED INTERESTS

22.1 **Right of Withdrawal.** If the owner of any substantial interest in a tract within the Unit Area fails or refuses to join in the Unit Agreement, then such tract may be withdrawn from the Unit Agreement, as provided in the Unit Agreement.

22.2 **Non-Withdrawal.** Should the Party or Parties having the right under the Unit Agreement to withdraw a tract from the Unit Agreement fail to exercise such right, then all payments and liabilities accruing to the owners of uncommitted interests in such tract shall be paid and borne by such Party or Parties.

## ARTICLE 23
## COMPENSATORY ROYALTIES

23.1 **Notice.** Whenever demand is made in accordance with the Unit Agreement for the payment of compensatory royalties, Unit Operator shall give notice thereof to each Party affected by the demand.

23.2 **Demand for Failure to Drill a Development Well.** If the demand for compensatory royalties results from the failure to have Drilled a Development Well and such well is not Drilled, then Unit

Operator shall pay such compensatory royalties. Such payment shall be charged as Costs incurred in operations within the participating area involved.

23.3 **Demand for Failure to Drill a Well Other Than a Development Well.** If the demand for compensatory royalties results from the failure to have Drilled a well other than a Development Well and such well is not Drilled, then Unit Operator shall pay such compensatory royalties. Such payment shall be chargeable to and borne by the Parties who would be obligated to bear the Costs of such well if the well were Drilled as a Required Well under Subdivision B of Section 10.4.

## ARTICLE 24
## SEPARATE MEASUREMENT AND SALVAGE

24.1 **Separate Measurement.** If a well completed as a producer of unitized substances is in or becomes included in a participating area but is not owned on an Acreage Basis by all the Parties within such participating area and if, within thirty (30) days after request therefor by any interested Party, a method of measuring the Production from such well without the necessity of additional facilities does not receive the Approval of the Parties, then Unit Operator shall install such additional tankage, flow lines, or other facilities for separate measurement of the unitized substances produced from such well as Unit Operator may deem suitable. The Costs of such facilities for separate measurement shall be charged to and borne by the Drilling Party for such well and treated as Costs incurred in operating such well, notwithstanding any other provisions of this Agreement.

24.2 **Salvaged Materials.** If any materials or equipment are salvaged from a well completed as a producer after being Drilled, Deepened, Plugged Back, or Completed otherwise than for the account of all the Parties entitled to participate therein before reversion to the Non-Drilling Party of its relinquished interest in the well, the proceeds derived from the sale thereof or, if not sold, the Salvage Value thereof, shall be treated in the same manner as proceeds of Production from such well for the purpose of determining reversion to the Non-Drilling Party of its relinquished interest in such well.

## ARTICLE 25
## ENHANCED RECOVERY AND PRESSURE MAINTENANCE

25.1 **Consent Required.** Unit Operator shall not undertake any program of enhanced recovery or pressure maintenance involving injection of gas, water, or other substance by any method, whether now known or hereafter devised, without first obtaining the consent of Parties owning, on an Acreage Basis, not less than ___90___% of the Committed Working Interests in the participating area affected by any such program. After the Parties have voted to undertake a program of enhanced recovery or pressure maintenance in accordance with this Section 25.1, the conduct of such program shall be subject to supervision by the Parties as set forth in Article 14.

25.2 **Above-Ground Facilities.** This Agreement shall not be deemed to require any Party to participate in the construction or operation of any gasoline plant, sulphur recovery plant, dewaxing plant, or other above-ground facilities to process or otherwise treat Production, other than such facilities as may be required for treating Production in ordinary lease operations and such facilities as may be required in the conduct of operations authorized under Section 25.1.

## ARTICLE 26
## TRANSFERS OF INTEREST

26.1 **Sale by Unit Operator.** If Unit Operator sells all its Committed Working Interests, it shall resign and a new Unit Operator shall be selected as provided in the Unit Agreement.

26.2 **Assumption of Obligations.** No transfer of any Committed Working Interest shall be effective unless the same is made expressly subject to the Unit Agreement and this Agreement and the transferee agrees in writing to assume and perform all obligations of the transferor under the Unit Agreement and this Agreement insofar as they relate to the interest assigned, except that such assumption of obligations shall not be required in case of a transfer by mortgage or deed of trust as security for indebtedness.

26.3 **Effective Date.** A transfer of Committed Working Interests shall not be effective as among the Parties until the first day of the month next following the delivery to Unit Operator of the original or a certified copy of the instrument of transfer conforming to the requirements of Section 26.2. In no event shall a transfer of Committed Working Interests relieve the transferring Party of any obligations accrued under this Agreement prior to said effective date, for which purpose any obligation assumed by the transferor to participate in the Drilling, Deepening, Plugging Back, or Completing of a well prior to such effective date shall be deemed an accrued obligation.

## ARTICLE 27
## RELEASE FROM OBLIGATIONS AND SURRENDER

27.1 **Surrender or Release Within Participating Area.** A Committed Working Interest in land within a participating area shall not be surrendered except with the consent of all Parties within such participating area. However, a Party who owns a Committed Working Interest in land within a participating area and who is not at the time committed to participate in the Drilling, Deepening, Plugging Back, or Completing of a well within such participating area may be relieved of further obligations with respect to such participating area, as then constituted, by executing and delivering to Unit Operator an assignment conveying to all other Parties within such participating area all Committed Working Interests owned by such Party in lands within the participating area, together with the

entire interest of such Party in any and all wells, materials, equipment, and other property within or pertaining to such participating area.

27.2 **Procedure on Surrender or Release Outside Participating Area.** Whenever a Party or Parties owning 100% of the Committed Working Interest in any tract which is not within any participating area desire to surrender said 100% interest, such Party or Parties shall give to all other Parties notice thereof, describing such Committed Working Interest. The Parties receiving such notice, or any of them, shall have the right at their option to take from the Party or Parties desiring to surrender an assignment of such Committed Working Interest by giving the Party or Parties desiring to surrender notice of election so to do within thirty (30) days after receipt of notice of the desire to surrender. If such election is made as above provided, the Party or Parties taking the assignment (which shall be taken by them in proportion to the acreage of their respective Committed Working Interests among themselves in the Unit Area) shall pay the assigning Party or Parties for its or their share of the Salvage Value of all wells, if any, in which the assigning Party or Parties own an interest and which are located on the land covered by such Committed Working Interest, which payment shall be made upon receipt of the assignment. If no Party elects to take such assignment within said thirty (30) day period, then the Party or Parties owning such Committed Working Interest may surrender the same, if surrender thereof can be made in accordance with the Unit Agreement. Whenever a Party owning less than 100% of the Committed Working Interest in any tract desires to surrender its interest therein, such interest may be acquired by the other Party or Parties owning Committed Working Interests in said tract without notice being given to any other Parties owning interests within the Unit Area. In the event the other Party or Parties owning Committed Working Interests in the tract to be surrendered do not desire to acquire such interest, the interest shall be treated as a 100% interest.

27.3 **Accrued Obligations.** A Party making an assignment or surrender in accordance with Section 27.1 or Section 27.2 shall not be relieved of its liability for any obligation accrued under this Agreement at the time the assignment or surrender is made or of the obligation to bear its share of the Costs incurred in any Drilling, Deepening, Plugging Back, or Completing operation in which such Party had elected to participate prior to the making of such assignment or surrender, except to the extent that the Party or Parties receiving such assignment shall assume, with the Approval of the Parties, any and all obligations of the assigning Party under this Agreement and under the Unit Agreement.

## ARTICLE 28
## LIABILITY

28.1 **Liability.** The liability of the Parties hereunder shall be several and not joint or collective. Each Party shall be responsible only for its obligations as herein set out.

28.2 **No Partnership Created.** It is not the intention of the Parties to create, nor shall this Agreement or the Unit Agreement be construed as creating, a mining or other partnership or association between the Parties or as rendering them liable as partners or associates.

28.3 **Election.** Each of the Parties hereby elects, under the authority of Section 761(a) of the Internal Revenue Code of 1954, to be excluded from the application of all the provisions of Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1954. In making this election, each Party states that income derived by it from operations under this Agreement can be adequately determined without computation of partnership taxable income. If the income tax laws of the State or States in which the Unit Area is located contain, or hereafter contain, provisions similar to those contained in the Subchapter of the Internal Revenue Code of 1954 above referred to under which a similar election is permitted, each of the Parties agrees that such election shall be exercised; and should the income tax laws of such State or States require evidence of such election, Unit Operator is authorized and directed to execute the same on behalf of each Party. Beginning with the first taxable year of operation under this Agreement, each Party agrees that the deemed election provided by Federal Regulations Section 1.761-2(b)(2)(ii) will apply, and no Party will file an application under Federal Regulations Section 1.761-2(b)(3)(i) to revoke said election.

## ARTICLE 29
## NOTICES

29.1 **Giving and Receipt.** Whenever a rig is on location, every notice and every response shall be by telephone, to be confirmed promptly in writing. In all other instances, any notice, response, consent, advice, or statement herein provided or permitted to be given shall be in writing and shall be deemed given only when received by the Party to whom the same is directed.

29.2 **Addresses.** For the foregoing purposes, each Party's address and telephone number shall be deemed to be the address and telephone number set forth under or opposite its signature hereto, unless and until such Party specifies another address or telephone number by not less than ten (10) days' prior notice to all other Parties.

## ARTICLE 30
## EXECUTION

30.1 **Counterparts.** This Agreement may be executed in counterparts, and all such counterparts taken together shall be deemed to constitute one and the same instrument.

30.2 **Ratification.** This Agreement may be executed by the execution and delivery of a good and sufficient instrument of ratification, adopting and entering into this Agreement. Such ratification shall have the same effect as if the Party executing it had executed this Agreement or a counterpart hereof.

[redacted] [redacted] [redacted]

30.3 **Effect of Signature.** When this Agreement is executed by two Parties, execution by each shall be deemed consideration for execution by the other, and each Party theretofore or thereafter executing this Agreement shall thereupon become and remain bound hereby until the termination of this Agreement. However, if the Unit Agreement does not become effective within twelve (12) months from and after the date of this Agreement, then, at the expiration of said period, this Agreement shall terminate.

## ARTICLE 31
## SUCCESSORS AND ASSIGNS

31.1 **Covenants.** This Agreement shall be binding upon and shall inure to the benefit of all Parties signing the same, their heirs, devisees, personal representatives, successors and assigns, and their successors in interest, whether or not it is signed by all the Parties listed below. The terms hereof shall constitute covenants running with the lands and the Committed Working Interests of the Parties.

## ARTICLE 32
## HEADINGS FOR CONVENIENCE

32.1 **Headings.** The Table of Contents and the headings used in this Agreement are inserted for convenience only and shall be disregarded in construing this Agreement.

## ARTICLE 33
## RIGHT OF APPEAL

33.1 **Not Waived.** Nothing contained in this Agreement shall be deemed to constitute a waiver by any Party of any right it would otherwise have to contest the validity of any law or any order or regulation of governmental authority (whether Federal, State, or local) relating to or affecting the conduct of operations within the Unit Area or to appeal from any such order.

## ARTICLE 34
## SUBSEQUENT JOINDER

34.1 **Prior to the Commencement of Operations.** Prior to the commencement of operations under the Unit Agreement, all owners of working interests in the Unit Area who have joined the Unit Agreement shall be privileged to execute or ratify this Agreement.

34.2 **After Commencement of Operations.** After commencement of operations under the Unit Agreement, any working interest in land within the Unit Area which is not then committed hereto may be committed to this Agreement and to the Unit Agreement upon such reasonable terms and conditions as may receive the Approval of the Parties.

## ARTICLE 35
## CARRIED INTERESTS

35.1 **Treatment of.** If any working interest shown on Exhibit B to the Unit Agreement and committed thereto is a carried working interest, such interest shall, if the carrying Party executes this Agreement, be deemed to be, for the purpose of this Agreement, a Committed Working Interest owned by the carrying Party.

## ARTICLE 36
## EFFECTIVE DATE AND TERM

36.1 **Effective Date and Term.** This Agreement shall become effective upon the effective date of the Unit Agreement, shall continue in effect during the term of the Unit Agreement, and shall terminate concurrently therewith.

36.2 **Effect of Termination.** Termination of this Agreement shall not relieve any Party of its obligations then accrued hereunder. Notwithstanding termination of this Agreement, the provisions hereof relating to the charging and payment of Costs and the disposition of materials and equipment shall continue in force until all materials and equipment owned by the Parties have been disposed of and until final accounting between Unit Operator and the Parties has been made. Termination of this Agreement shall automatically terminate all rights and interests acquired by virtue of this Agreement in lands within the Unit Area, except such transfers of Committed Working Interests as have been evidenced by formal written instruments of transfer.

## ARTICLE 37
## OTHER PROVISIONS

37.1 PAYMENT OF TAXES RELATING TO PRODUCTION.

A. At and during such time or times as Non-Operator is exercising the right to take in kind or separately dispose of its proportionate part of the production as set forth in Paragraph 6.4 hereof, Non-Operator shall pay or arrange for the payment of all production, severance, gathering, sales or similar taxes imposed upon such part.

B. At and during such time or times as Unit Operator is selling Non-Operator's proportionate part of the production, as set forth in Paragraph 6.5 hereof, Unit Operator shall pay or arrange for the payment of all production, severance, gathering, sales or similar taxes imposed upon such part.

37.2 NON-CONSENT INVESTMENT ADJUSTMENT. Notwithstanding any provision in this Agreement to the contrary, no Party shall be liable, without its consent, for any investment adjustment charge under the provisions of Section 13.3D or 13.4D, which charge is in excess of the Party's credits under Article 13. In the event of the establishment, enlargement or contraction of a Participating Area, the provisions of Article 12 and other provisions related thereto shall be applicable to any investment adjustment to the same extent that these provisions are applicable to a well drilled otherwise than for the account of all Parties entitled to participate therein. Any Party subject to such charge may elect not to pay it in cash. If within 30 days after proposal for establishment, enlargement or contraction of Participating Area has been submitted by Unit Operator, in writing to the Working Interest Owners involved, a Party elects not to participate in the investment adjustment applicable to the establishment, enlargement or contraction, that Party shall be a Non-Drilling Party, and shall be deemed, as of the effective date of the resulting area in connection with which such charge is made, to have relinquished the interest for which such charge is made to the Party or Parties who would otherwise be entitled to receive a credit under Section 13.3D or Section 13.4D, which latter Party or Parties shall be the Drilling Party with respect to this relinquished interest. The Drilling Party shall own the relinquished interest until it reverts to Non-Drilling Party pursuant to Article 12, except that it is specifically understood that Article 12.4B percentage for exercise of the Non-Drilling Option applicable to establishment, enlargement or contraction of the Participating Area be 400%.

37.3 Where a well, authorized under the terms of this Agreement has been drilled to the objective depth and the Parties participating in the well cannot agree upon the sequence and timing of further operations regarding such well, the following elections shall control in the order enumerated below:

(1) an election to attempt to complete the well at the objective depth;

(2) an election to plug back and attempt to complete said well in shallower zones in ascending order;

(3) an election to sidetrack the well to reach any zone not below the objective depth; and

(4) an election to deepen said well to deeper zones, in descending order.

Notwithstanding anything to the contrary contained herein, any Party desiring to perform additional logging, coring or other testing (other than logging, coring and testing that would be performed by a prudent operator before attempting a completion) may do so at its sole cost, risk and expense. In such event the part or Parties undertaking such additional testing shall be responsible for any damage to the hole or reservoir resulting from such testing. The Parties not participating in such additional testing shall not be entitled to the logs and other data resulting from such tests, but shall not suffer any other penalty. It is further provided that a proposed operation (other than additional testing for which a Party or Parties have assumed responsibility in the event of loss or damage to the hole or reservoir) shall not be given priority if in the opinion of Parties owning a majority of the interest entitled to participate in such operation, a reasonably

prudent operator would not conduct such operation because of the risk of loss or damage to the hole or reservoir.

37.4 Notwithstanding any provisions of this Agreement to the contrary, if the proposed operation is an Obligatory Operation, a Party not participating in such operation shall assign to Parties participating such operation all of its interest in the leases or portion thereof which would be lost or not earned if such operations were not conducted. An "Obligatory Operation" is defined as an operation which must be conducted to earn or maintain a lease or farmout rights or portion thereof. A well, or other operation proposed within four (4) months prior to the date a lease or leases (or portions thereof) will terminate in the absence of such well or other operation shall constitute an "Obligatory Operation." Any assignment pursuant hereto shall be due upon commencement of such operations and shall be free and clear of all overriding royalties, production payments, mortgages, liens and other burdens and encumbrances placed thereon by the assigning Party or resulting from its ownership or operation of such lease or interest which are not a joint obligation of the Parties, but otherwise without warranty of title either express or implied.

37.5 Notwithstanding any provision of this Agreement to the contrary where under the terms of this Agreement, a Party hereto is required to assign to one or more of the other Parties its interest in one or more leases or portion or part thereof, such assignment shall be made free and clear of all overriding royalties, production payments, mortgages, liens and other burdens and encumbrances placed thereon by the assigning Party or resulting from its ownership and operation of such lease or interest which are not a joint obligation of the Parties, but otherwise without warranty of title, either express or implied, even as to the return of the purchase price.

37.6 It is specifically provided that no notice shall be given hereunder which proposes the drilling or more than one well. Further, the provisions of this Unit Operating Agreement, insofar as same pertain to notification by a Party of its desire to drill a well, shall be suspended for so long as (1) a prior notice has been given which is still in forced and effect and the period of time during which the well regarding same may be commenced has not expired, or (2) a well is then being drilled hereunder. This paragraph shall not apply under those circumstances where the well to which notice is directed is a well which is required under the terms of a lease or contract or one required to maintain a lease or portion thereof in force. For the purposes of this Unit Operating Agreement, a proposal to sidetrack a well which is a dry hole shall be considered as a proposal to drill a new well.

37.7 If, at any time the interest of any Party is divided among and owned by two or more co-owners, such co-owners shall appoint a single trustee or agent acceptable to Unit Operator with full authority to receive notices, approve expenditures, receive billings for and approve and pay such Parties' share of the joint expenses, and to deal generally with, and with power to bind, the co-owners of such Parties' interests within the scope of the operations embraced in this Agreement; however, all such co-owners shall have the right to enter into and execute all contracts or agreements for the disposition of their respective shares of the oil and gas produced from the Contract Area and they shall have the right to receive, separately, payment of the sale proceeds hereof. Until the trustee or agent is appointed, the assigning Party shall be considered for all purposes thereof as such trustee or agent with all rights and responsibilities thereof. The trustee or agent appointed or deemed to be appointed hereunder shall be liable to Unit Operator for all costs, expenses and liabilities incurred pursuant to this Agreement attributable to the interest for which the trustee or agent is appointed or deemed to be appointed. Unit Operator shall not be required to account separately for the separate interests represented by the trustee or agent.

## ARTICLE 38
## REGULATORY PROVISIONS

A. Gaseous Hydrocarbons:

Non-Operators hereby authorize Unit Operator to file and prosecute all applications for determination for well pricing qualification under the Natural Gas Policy Act of 1978 and to make interim collection filings on behalf of Non-Operators. Unit Operator may employ counsel and technical experts to the extent

Unit Operator in its sole discretion considers appropriate for such filings and seeking favorable resolutions thereof. Costs incurred by Unit Operator for such counsel and experts together with all other costs incurred by Unit Operator in preparing the application for determination and interim collection documents as well as the cost of prosecuting the application shall be charged to the Joint Account.

B. Liquid Hydrocarbons:

Non-Operators hereby authorize Unit Operator to file with the purchaser of crude oil or other liquid hydrocarbons or with any other person required by law, any statement or certification required by the Crude Oil Windfall Profit Tax Act, the Emergency Petroleum Allocation Act of 1973, the Energy Policy and Conservation Act or by any rule, regulation or order issued thereunder or by any other law, rule, or regulation relating to the pricing of crude oil and other liquid hydrocarbons or the taxation thereof. To the extent that Unit Operator may by law be authorized to do so, Non-Operators hereby authorize Unit Operator to agree with any purchaser to relieve Unit Operator ( in whole or in part as Unit Operator may determine) of any filing or certification requirements. In making any filing or certification with may purchaser of crude oil or other liquid hydrocarbons, each Non-Operator shall be solely responsible for furnishing to Unit Operator or such purchaser of any other person required by law any exemption certificate, independent producer certificate or any other evidence required by law to entitle Non-Operator to a higher price for sale of his production or for a lower rate of windfall profit or other excise tax there, and upon a Non-Operator's failure to furnish the same, Unit Operator shall certify to such purchaser for such Non-Operator's interest the lower price and/or higher rate of tax. Unit Operator shall have no duty to seek any refunds on behalf of any Non-Operator of any overpayment of any windfall profit or excise tax to which any Non-Unit Operator may be entitled by law.

C. Refunds:

In any event any Non-Operator receives a greater sum for the sale of its share of production than that to which such Non-Operator is entitled, such Non-Unit Operator shall promptly refund any excess sums so collected to the person entitled thereto together with any interest thereon required by law. In the event Unit Operator is required for any reason to make any such refund on any Non-Unit Operator's behalf and such Non-Operator refuses upon Unit Operator's request to reimburse Unit Operator for the amount so paid, then Unit Operator, in addition to any other rights or remedies which it may have as a result of making such refund, (i) shall have the lien provided by Article 15.5 to secure such reimbursement and (ii) shall be authorized to collect from Non-Operator's purchaser of production all revenues attributable to Non-Operator's share of production until the fill amount required to be paid or refunded by Non-Operator has been recovered.

D. Unit Operator's Liability:

Unit Operator shall use its best judgment is making any of the filings and certifications referred to under Paragraph A and B above in prosecuting any filings and applications. However, in no event shall Unit Operator have nay liability to any Non-Operator in making and prosecuting any such filing or in rendering any statement or certification, absent bad faith, gross negligence or willful misconduct. Any penalties incurred as a result of any incorrect certification, statement or filing shall, in absence of bad faith, gross negligence or willful misconduct, be charged to the Parties owning the production to which the penalty pertains. In no event shall any error by Unit Operator relieve any Non-Operator of the liability for any refund under Paragraph C above.

E. Non-Operator's Right to Separate Representation:

Nothing contained herein is intended to prevent any Non-Operator from being represented by its own counsel in connection with any matter covered by this Article XVI, and each Non-Operator shall have the right to the extent permitted by applicable rules and regulations to make its own filings and appearances. Unit Operator shall furnish each Non-operator, on request, copies of all

filings, applications, certification and other instruments submitted by Unit Operator affecting Non-Operator's interest in the Contract Area.

## ARTICLE 39
## WORKING INTEREST EXCLUSIONS FROM PARTICIPATING AREA POOLING

39.1 DEFINITIONS. The definitions contained in this Article 29 are adopted for all purposes of this Agreement. In addition, each term below shall have the meaning stated therefor whenever used in this Agreement.

"Moriah Committed Working Interest" is defined to mean a committed working interest owned exclusively by a party which is duly licensed and authorized by Moriah Research of Shama Kafar Limited Partnership to use the proprietary or patented Moriah Multi-Zone Frac Technology on that specific committed working interest.

"Moriah Drilling Party," "Moriah Completing Party" and/or "Moriah Participating Party" is defined as a "Drilling Party" "Completing Party" and/or "Participating Party" which is duly licensed and authorized by Moriah Research of Shama Kafar Limited Partnership to use the proprietary or patented Moriah Multi-Zone Frac Technology on all of their "Moriah Committed Working Interests" within a "Moriah Drilling Block."

"Moriah Non-Drilling Party," "Moriah Non-Completing Party" and/or "Moriah Non-Participating Party" is defined as a "Non-Drilling Party." "Non-Completing Party" and/or "Non-Participating Party" which is duly licensed and authorized by Moriah Research of Shama Kafar Limited Partnership to use the proprietary or patented Moriah Multi-Zone Frac Technology on all of their "Moriah Committed Working Interests" within a "Moriah Drilling Block" and have elected not to participate therein.

"Moriah Drilling Block" is defined as a "Drilling Block" wherein all "Drilling Parties," "Completing Parties" and "Participating Parties" and all "Non-Drilling Parties," "Non-Completing Parties" and "Non-Participating Parties" are duly licensed and authorized by Moriah Research of Shama Kafar Limited Partnership to use the proprietary or patented Moriah Multi-Zone Frac Technology on all of the working interests in said "Moriah Drilling Block."

"Moriah Wells," whether a "Moriah Test Well," a "Moriah Development Well," a "Moriah Exploratory Well" or a "Moriah Required Well" is defined as a "Well" drilled by "Moriah Drilling Parties exclusively on a "Moriah Drilling Block" containing only "Moriah Committed Working Interests" on which the proprietary or patented Moriah Multi-Zone Frac Technology has been used in the completion of said well.

"Moriah Production" is defined to mean the production from a "Moriah Well drilled exclusively by "Moriah Drilling Parties" on a "Moriah Drilling Block" containing only "Moriah Committed Working Interests."

39.2 EXCLUSIONS OF MORIAH COMMITTED WORKING INTERESTS FROM UNIT PARTICIPATING AREA POOLING. All "Moriah Committed Working Interests" will be excluded from and exempt from the pooling of Committed Working Interests in the Unit Participating Areas as provided under this unit operating agreement including, but not limited to exemption from the provisions of Articles 6.1, 8 and 13 thereof. Consequently the "Moriah Production" form the "Moriah Wells" will be pooled only as to the non-working interests (i.e. royalty and overriding royalty interests in the unit participating areas and not as to the Moriah Production or costs accruing to the "Moriah Committed Working Interests." The production from all other wells, other than the "Moriah Wells," will be pooled as to all interests including both committed working interests and committed non-working interest (i.e. royalty and overriding royalty interests) within the unit participating areas in accordance with all the provisions of this agreement. The "Moriah Production" from the "Moriah Wells" and all costs pertaining thereto allocated to the "Moriah Committed Working Interests" may be pooled in the manner designated by any pooling agreements between such "Moriah Committed Working Interests" owners which may be created and established in the absence of any such pooling agreements for special pooling of the "Moriah Committed Working Interests," the "Moriah Production" from the "Moriah Wells" and the

costs pertaining thereto accruing to the "Moriah Committed Working Interests" will be allocated in on an acreage basis of the "Moriah Committed Working Interests" within the "Moriah Drilling Block" for each such "Moriah Well" in accordance with the provisions of Article 6 (excluding Article 6.1) Article 9 and Article 10 herein.

Nothing herein shall be construed to either (a) require any party owning a committed working interest to acquire a license or authorization from Moriah Research of Shama Kafar Limited Partnership to use the proprietary or patented Moriah Multi-Zone Frac Technology or (b) require Moriah Research of Shama Kafar Limited Partnership to grant or issue any licenses or authorization to use this proprietary or patented Moriah Multi-Zone Frac Technology to any party hereto. The possible grant or issue of any such license authorization to use this proprietary or patented Moriah Multi-Zone Frac Technology, if any, shall be based on such terms and conditions as may be specified in any agreement therefor as may be entered into by any such parties.

The Unit Operator is hereby prohibited from using said proprietary or patented Moriah Multi-Zone Frac Technology on any Drilling Block or on any well which is not a "Moriah Well" on a "Moriah Committed Working Interests." The Unit Operator is authorized to use said proprietary or patented Moriah Multi-Zone Frac Technology only on each such "Moriah Well" on a "Moriah Drilling Block" containing only "Moriah Committed Working Interests."

Notwithstanding anything in Article 16.1 F to the contrary, proprietary or patented information relative to the Moriah Multi-Zone Frac Technology will not be supplied to any party to this agreement except to a "Moriah Committed Working Interest."

**IN WITNESS WHEREOF,** this Agreement has been executed by the Parties as of the day and year first above written.

As Unit Operator and Working Interest Owner

By: Gilman A. Hill
Gilman A. Hill

Date of Execution:

Aug 19, 1987

Address: Suite 3100
7955 East Arapahoe Court
Englewood, Colorado 80112

Telephone: (303) 771-1101

STATE OF Colorado )
)ss.
COUNTY OF Arapahoe )

The foregoing instrument was acknowledged before me by Gilman A. Hill.

This 19th day of August, 1987.

**WITNESS** my hand and official seal.

My commission expires:

5-1-88

John L. Moore
Notary Public

[redacted] [redacted] [redacted]

[redacted] 601, BOX 800
TULSA OK 74101

COPAS 1984 ONSHORE
Recommended by the Council of Petroleum Accountants Societies

COPAS

# EXHIBIT " 1 "

Attached to and made a part of the New-Tech Unit Operating Agreement
Sublette County, Wyoming

# ACCOUNTING PROCEDURE
# JOINT OPERATIONS

## I. GENERAL PROVISIONS

### 1. Definitions

"Joint Property" shall mean the real and personal property subject to the agreement to which this Accounting Procedure is attached.
"Joint Operations" shall mean all operations necessary or proper for the development, operation, protection and maintenance of the Joint Property.
"Joint Account" shall mean the account showing the charges paid and credits received in the conduct of the Joint Operations and which are to be shared by the Parties.
"Operator" shall mean the party designated to conduct the Joint Operations.
"Non-Operators" shall mean the Parties to this agreement other than the Operator.
"Parties" shall mean Operator and Non-Operators.
"First Level Supervisors" shall mean those employees whose primary function in Joint Operations is the direct supervision of other employees and/or contract labor directly employed on the Joint Property in a field operating capacity.
"Technical Employees" shall mean those employees having special and specific engineering, geological or other professional skills, and whose primary function in Joint Operations is the handling of specific operating conditions and problems for the benefit of the Joint Property.
"Personal Expenses" shall mean travel and other reasonable reimbursable expenses of Operator's employees.
"Material" shall mean personal property, equipment or supplies acquired or held for use on the Joint Property.
"Controllable Material" shall mean Material which at the time is so classified in the Material Classification Manual as most recently recommended by the Council of Petroleum Accountants Societies.

### 2. Statement and Billings

Operator shall bill Non-Operators on or before the last day of each month for their proportionate share of the Joint Account for the preceding month. Such bills will be accompanied by statements which identify the authority for expenditure, lease or facility, and all charges and credits summarized by appropriate classifications of investment and expense except that items of Controllable Material and unusual charges and credits shall be separately identified and fully described in detail.

### 3. Advances and Payments by Non-Operators

A. Unless otherwise provided for in the agreement, the Operator may require the Non-Operators to advance their share of estimated cash outlay for the succeeding month's operation within fifteen (15) days after receipt of the billing or by the first day of the month for which the advance is required, whichever is later. Operator shall adjust each monthly billing to reflect advances received from the Non-Operators.

B. Each Non-Operator shall pay its proportion of all bills within ~~fifteen (15)~~ thirty (30) days after receipt. If payment is not made within such time, the unpaid balance shall bear interest monthly at the prime rate in effect at Chase Manhattan Bank on the first day of the month in which delinquency occurs plus *2% or the maximum contract rate permitted by the applicable usury laws in the state in which the Joint Property is located, whichever is the lesser, plus attorney's fees, court costs, and other costs in connection with the collection of unpaid amounts.

*2%

### 4. Adjustments

Payment of any such bills shall not prejudice the right of any Non-Operator to protest or question the correctness thereof; provided, however, all bills and statements rendered to Non-Operators by Operator during any calendar year shall conclusively be presumed to be true and correct after twenty-four (24) months following the end of any such calendar year, unless within the said twenty-four (24) month period a Non-Operator takes written exception thereto and makes claim on Operator for adjustment. No adjustment favorable to Operator shall be made unless it is made within the same prescribed period. The provisions of this paragraph shall not prevent adjustments resulting from a physical inventory of Controllable Material as provided for in Section V.

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5. Audits

A. A Non-Operator, upon notice in writing to Operator and all other Non-Operators, shall have the right to audit Operator's accounts and records relating to the Joint Account for any calendar year within the twenty-four (24) month period following the end of such calendar year; provided, however, the making of an audit shall not extend the time for the taking of written exception to and the adjustments of accounts as provided for in Paragraph 4 of this Section I. Where there are two or more Non-Operators, the Non-Operators shall make every reasonable effort to conduct a joint audit in a manner which will result in a minimum of inconvenience to the Operator. Operator shall bear no portion of the Non-Operators' audit cost incurred under this paragraph unless agreed to by the Operator. The audits shall not be conducted more than once each year without prior approval of Operator, except upon the resignation or removal of the Operator, and shall be made at the expense of those Non-Operators approving such audit.

B. The Operator shall reply in writing to an audit report within 180 days after receipt of such report.

6. Approval By Non-Operators

Where an approval or other agreement of the Parties or Non-Operators is expressly required under other sections of this Accounting Procedure and if the agreement to which this Accounting Procedure is attached contains no contrary provisions in regard thereto, Operator shall notify all Non-Operators of the Operator's proposal, and the agreement or approval of a majority in interest of the Non-Operators shall be controlling on all Non-Operators.

## II. DIRECT CHARGES

Operator shall charge the Joint Account with the following items:

1. Ecological and Environmental

Costs incurred for the benefit of the Joint Property as a result of governmental or regulatory requirements to satisfy environmental considerations applicable to the Joint Operations. Such costs may include surveys of an ecological or archaeological nature and pollution control procedures as required by applicable laws and regulations.

2. Rentals and Royalties

Lease rentals and royalties paid by Operator for the Joint Operations.

3. Labor

A. (1) Salaries and wages of Operator's field employees directly employed on the Joint Property in the conduct of Joint Operations.

(2) Salaries of First Level Supervisors in the field.

(3) Salaries and wages of Technical Employees directly employed on the Joint Property if such charges are excluded from the overhead rates.

(4) Salaries and wages of Technical Employees either temporarily or permanently assigned to and directly employed in the operation of the Joint Property if such charges are excluded from the overhead rates.

B. Operator's cost of holiday, vacation, sickness and disability benefits and other customary allowances paid to employees whose salaries and wages are chargeable to the Joint Account under Paragraph 3A of this Section II. Such costs under this Paragraph 3B may be charged on a "when and as paid basis" or by "percentage assessment" on the amount of salaries and wages chargeable to the Joint Account under Paragraph 3A of this Section II. If percentage assessment is used, the rate shall be based on the Operator's cost experience.

C. Expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to Operator's costs chargeable to the Joint Account under Paragraphs 3A and 3B of this Section II.

D. Personal Expenses of those employees whose salaries and wages are chargeable to the Joint Account under Paragraph 3A of this Section II.

4. Employee Benefits

Operator's current costs of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, bonus, and other benefit plans of a like nature, applicable to Operator's labor cost chargeable to the Joint Account under Paragraphs 3A and 3B of this Section II shall be Operator's actual cost not to exceed the percent most recently recommended by the Council of Petroleum Accountants Societies.

5. Material

Material purchased or furnished by Operator for use on the Joint Property as provided under Section IV. Only such Material shall be purchased for or transferred to the Joint Property as may be required for immediate use and is reasonably practical and consistent with efficient and economical operations. The accumulation of surplus stocks shall be avoided.

6. Transportation

Transportation of employees and Material necessary for the Joint Operations but subject to the following limitations:

A. If Material is moved to the Joint Property from the Operator's warehouse or other properties, no charge shall be made to the Joint Account for a distance greater than the distance from the nearest reliable supply store where like material is normally available or railway receiving point nearest the Joint Property unless agreed to by the Parties.



[redacted] [redacted] [redacted]

B. If surplus Material is moved to Operator's warehouse or other storage point, no charge shall be made to the Joint Account for a distance greater than the distance to the nearest reliable supply store where like material is normally available, or railway receiving point nearest the Joint Property unless agreed to by the Parties. No charge shall be made to the Joint Account for moving Material to other properties belonging to Operator, unless agreed to by the Parties.

C. In the application of subparagraphs A and B above, the option to equalize or charge actual trucking cost is available when the actual charge is $400 or less excluding accessorial charges. The $400 will be adjusted to the amount most recently recommended by the Council of Petroleum Accountants Societies.

**7. Services**

The cost of contract services, equipment and utilities provided by outside sources, except services excluded by Paragraph 10 of Section II and Paragraph i, ii, and iii, of Section III. The cost of professional consultant services and contract services of technical personnel directly engaged on the Joint Property if such charges are excluded from the overhead rates. The cost of professional consultant services or contract services of technical personnel not directly engaged on the Joint Property shall not be charged to the Joint Account unless previously agreed to by the Parties.

**8. Equipment and Facilities Furnished By Operator**

A. Operator shall charge the Joint Account for use of Operator owned equipment and facilities at rates commensurate with costs of ownership and operation. Such rates shall include costs of maintenance, repairs, other operating expense, insurance, taxes, depreciation, and interest on gross investment less accumulated depreciation not to exceed _____ twelve _____ percent ( 12 %) per annum. Such rates shall not exceed average commercial rates currently prevailing in the immediate area of the Joint Property.

B. In lieu of charges in paragraph 8A above, Operator may elect to use average commercial rates prevailing in the immediate area of the Joint Property less 20%. For automotive equipment, Operator may elect to use rates published by the Petroleum Motor Transport Association.

**9. Damages and Losses to Joint Property**

All costs or expenses necessary for the repair or replacement of Joint Property made necessary because of damages or losses incurred by fire, flood, storm, theft, accident, or other cause, except those resulting from Operator's gross negligence or willful misconduct. Operator shall furnish Non-Operator written notice of damages or losses incurred as soon as practicable after a report thereof has been received by Operator.

**10. Legal Expense**

Expense of handling, investigating and settling litigation or claims, discharging of liens, payment of judgements and amounts paid for settlement of claims incurred in or resulting from operations under the agreement or necessary to protect or recover the Joint Property, except that no charge for services of Operator's legal staff or fees or expense of outside attorneys shall be made unless previously agreed to by the Parties. All other legal expense is considered to be covered by the overhead provisions of Section III unless otherwise agreed to by the Parties, except as provided in Section I, Paragraph 3.

**11. Taxes**

All taxes of every kind and nature assessed or levied upon or in connection with the Joint Property, the operation thereof, or the production therefrom, and which taxes have been paid by the Operator for the benefit of the Parties. If the ad valorem taxes are based in whole or in part upon separate valuations of each party's working interest, then notwithstanding anything to the contrary herein, charges to the Joint Account shall be made and paid by the Parties hereto in accordance with the tax value generated by each party's working interest.

**12. Insurance**

Net premiums paid for insurance required to be carried for the Joint Operations for the protection of the Parties. In the event Joint Operations are conducted in a state in which Operator may act as self-insurer for Worker's Compensation and/or Employers Liability under the respective state's laws, Operator may, at its election, include the risk under its self-insurance program and in that event, Operator shall include a charge at Operator's cost not to exceed manual rates.

**13. Abandonment and Reclamation**

Costs incurred for abandonment of the Joint Property, including costs required by governmental or other regulatory authority.

**14. Communications**

Cost of acquiring, leasing, installing, operating, repairing and maintaining communication systems, including radio and microwave facilities directly serving the Joint Property. In the event communication facilities/systems serving the Joint Property are Operator owned, charges to the Joint Account shall be made as provided in Paragraph 8 of this Section II.

**15. Other Expenditures**

Any other expenditure not covered or dealt with in the foregoing provisions of this Section II, or in Section III and which is of direct benefit to the Joint Property and is incurred by the Operator in the necessary and proper conduct of the Joint Operations.

## III. OVERHEAD

**1. Overhead - Drilling and Producing Operations**

i. As compensation for administrative, supervision, office services and warehousing costs, Operator shall charge drilling and producing operations on either:

( x) Fixed Rate Basis, Paragraph 1A, or
( ) Percentage Basis, Paragraph 1B

Unless otherwise agreed to by the Parties, such charge shall be in lieu of costs and expenses of all offices and salaries or wages plus applicable burdens and expenses of all personnel, except those directly chargeable under Paragraph 3A, Section II. The cost and expense of services from outside sources in connection with matters of taxation, traffic, accounting or matters before or involving governmental agencies shall be considered as included in the overhead rates provided for in the above selected Paragraph of this Section III unless such cost and expense are agreed to by the Parties as a direct charge to the Joint Account.

ii. The salaries, wages and Personal Expenses of Technical Employees and/or the cost of professional consultant services and contract services of technical personnel directly employed on the Joint Property:

( ) shall be covered by the overhead rates, or
(x) shall not be covered by the overhead rates.

iii. The salaries, wages and Personal Expenses of Technical Employees and/or costs of professional consultant services and contract services of technical personnel either temporarily or permanently assigned to and directly employed in the operation of the Joint Property:

( ) shall be covered by the overhead rates, or
( x) shall not be covered by the overhead rates.

A. Overhead - Fixed Rate Basis

(1) Operator shall charge the Joint Account at the following rates per well per month:

Drilling Well Rate $ 5,000.00
(Prorated for less than a full month)

Producing Well Rate $ 500.00

(2) Application of Overhead - Fixed Rate Basis shall be as follows:

(a) Drilling Well Rate

(1) Charges for drilling wells shall begin on the date the well is spudded and terminate on the date the drilling rig, completion rig, or other units used in completion of the well is released, whichever is later, except that no charge shall be made during suspension of drilling or completion operations for fifteen (15) or more consecutive calendar days.

(2) Charges for wells undergoing any type of workover or recompletion for a period of five (5) consecutive work days or more shall be made at the drilling well rate. Such charges shall be applied for the period from date workover operations, with rig or other units used in workover, commence through date of rig or other unit release, except that no charge shall be made during suspension of operations for fifteen (15) or more consecutive calendar days.

(b) Producing Well Rates

(1) An active well either produced or injected into for any portion of the month shall be considered as a one-well charge for the entire month.

(2) Each active completion in a multi-completed well in which production is not commingled down hole shall be considered as a one-well charge providing each completion is considered a separate well by the governing regulatory authority.

(3) An inactive gas well shut in because of overproduction or failure of purchaser to take the production shall be considered as a one-well charge providing the gas well is directly connected to a permanent sales outlet.

(4) A one-well charge shall be made for the month in which plugging and abandonment operations are completed on any well. This one-well charge shall be made whether or not the well has produced except when drilling well rate applies.

(5) All other inactive wells (including but not limited to inactive wells covered by unit allowable, lease allowable, transferred allowable, etc.) shall not qualify for an overhead charge.

(3) The well rates shall be adjusted as of the first day of April each year following the effective date of the agreement to which this Accounting Procedure is attached. The adjustment shall be computed by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the calendar year preceding as shown by the index of average weekly earnings of Crude Petroleum and Gas Production Workers as published by the United States Department of Labor, Bureau of Labor Statistics, or the equivalent Canadian index as published by Statistics Canada, as applicable. The adjusted rates shall be the rates currently in use, plus or minus the computed adjustment.

B. Overhead - Percentage Basis

(1) Operator shall charge the Joint Account at the following rates:

(a) Development

_____ Percent ( ____ %) of the cost of development of the Joint Property exclusive of costs provided under Paragraph 10 of Section II and all salvage credits.

(b) Operating

_____ Percent ( ____ %) of the cost of operating the Joint Property exclusive of costs provided under Paragraphs 2 and 10 of Section II, all salvage credits, the value of injected substances purchased for secondary recovery and all taxes and assessments which are levied, assessed and paid upon the mineral interest in and to the Joint Property.

(2) Application of Overhead - Percentage Basis shall be as follows:

For the purpose of determining charges on a percentage basis under Paragraph 1B of this Section III, development shall include all costs in connection with drilling, redrilling, deepening, or any remedial operations on any or all wells involving the use of drilling rig and crew capable of drilling to the producing interval on the Joint Property; also, preliminary expenditures necessary in preparation for drilling and expenditures incurred in abandoning when the well is not completed as a producer, and original cost of construction or installation of fixed assets, the expansion of fixed assets and any other project clearly discernible as a fixed asset, except Major Construction as defined in Paragraph 2 of this Section III. All other costs shall be considered as operating.

**2. Overhead - Major Construction**

To compensate Operator for overhead costs incurred in the construction and installation of fixed assets, the expansion of fixed assets, and any other project clearly discernible as a fixed asset required for the development and operation of the Joint Property, Operator shall either negotiate a rate prior to the beginning of construction, or shall charge the Joint Account for overhead based on the following rates for any Major Construction project in excess of $ 25,000.00 :

A. 5 % of first $100,000 or total cost if less, plus

B. 3 % of costs in excess of $100,000 but less than $1,000,000, plus

C. 1 % of costs in excess of $1,000,000.

Total cost shall mean the gross cost of any one project. For the purpose of this paragraph, the component parts of a single project shall not be treated separately and the cost of drilling and workover wells and artificial lift equipment shall be excluded.

**3. Catastrophe Overhead**

To compensate Operator for overhead costs incurred in the event of expenditures resulting from a single occurrence due to oil spill, blowout, explosion, fire, storm, hurricane, or other catastrophes as agreed to by the Parties, which are necessary to restore the Joint Property to the equivalent condition that existed prior to the event causing the expenditures, Operator shall either negotiate a rate prior to charging the Joint Account or shall charge the Joint Account for overhead based on the following rates:

A. 5 % of total costs through $100,000; plus

B. 3 % of total costs in excess of $100,000 but less than $1,000,000; plus

C. 1 % of total costs in excess of $1,000,000.

Expenditures subject to the overheads above will not be reduced by insurance recoveries, and no other overhead provisions of this Section III shall apply.

**4. Amendment of Rates**

The overhead rates provided for in this Section III may be amended from time to time only by mutual agreement between the Parties hereto if, in practice, the rates are found to be insufficient or excessive.

## IV. PRICING OF JOINT ACCOUNT MATERIAL PURCHASES, TRANSFERS AND DISPOSITIONS

Operator is responsible for Joint Account Material and shall make proper and timely charges and credits for all Material movements affecting the Joint Property. Operator shall provide all Material for use on the Joint Property; however, at Operator's option, such Material may be supplied by the Non-Operator. Operator shall make timely disposition of idle and/or surplus Material, such disposal being made either through sale to Operator or Non-Operator, division in kind, or sale to outsiders. Operator may purchase, but shall be under no obligation to purchase, interest of Non-Operators in surplus condition A or B Material. The disposal of surplus Controllable Material not purchased by the Operator shall be agreed to by the Parties.

**1. Purchases**

Material purchased shall be charged at the price paid by Operator after deduction of all discounts received. In case of Material found to be defective or returned to vendor for any other reasons, credit shall be passed to the Joint Account when adjustment has been received by the Operator.

**2. Transfers and Dispositions**

Material furnished to the Joint Property and Material transferred from the Joint Property or disposed of by the Operator, unless otherwise agreed to by the Parties, shall be priced on the following basis exclusive of cash discounts:

A. New Material (Condition A)

(1) Tubular Goods Other than Line Pipe

(a) Tubular goods, sized 2⅜ inches OD and larger, except line pipe, shall be priced at Eastern mill published carload base prices effective as of date of movement plus transportation cost using the 80,000 pound carload weight basis to the railway receiving point nearest the Joint Property for which published rail rates for tubular goods exist. If the 80,000 pound rail rate is not offered, the 70,000 pound or 90,000 pound rail rate may be used. Freight charges for tubing will be calculated from Lorain, Ohio and casing from Youngstown, Ohio.

(b) For grades which are special to one mill only, prices shall be computed at the mill base of that mill plus transportation cost from that mill to the railway receiving point nearest the Joint Property as provided above in Paragraph 2.A.(1)(a). For transportation cost from points other than Eastern mills, the 30,000 pound Oil Field Haulers Association interstate truck rate shall be used.

(c) Special end finish tubular goods shall be priced at the lowest published out-of-stock price, f.o.b. Houston, Texas, plus transportation cost, using Oil Field Haulers Association interstate 30,000 pound truck rate, to the railway receiving point nearest the Joint Property.

(d) Macaroni tubing (size less than 2⅜ inch OD) shall be priced at the lowest published out-of-stock prices f.o.b. the supplier plus transportation costs, using the Oil Field Haulers Association interstate truck rate per weight of tubing transferred, to the railway receiving point nearest the Joint Property.

(2) Line Pipe

(a) Line pipe movements (except size 24 inch OD and larger with walls ¾ inch and over) 30,000 pounds or more shall be priced under provisions of tubular goods pricing in Paragraph A.(1)(a) as provided above. Freight charges shall be calculated from Lorain, Ohio.

(b) Line pipe movements (except size 24 inch OD and larger with walls ¾ inch and over) less than 30,000 pounds shall be priced at Eastern mill published carload base prices effective as of date of shipment, plus 20 percent, plus transportation costs based on freight rates as set forth under provisions of tubular goods pricing in Paragraph A.(1)(a) as provided above. Freight charges shall be calculated from Lorain, Ohio.

(c) Line pipe 24 inch OD and over and ¾ inch wall and larger shall be priced f.o.b. the point of manufacture at current new published prices plus transportation cost to the railway receiving point nearest the Joint Property.

(d) Line pipe, including fabricated line pipe, drive pipe and conduit not listed on published price lists shall be priced at quoted prices plus freight to the railway receiving point nearest the Joint Property or at prices agreed to by the Parties.

(3) Other Material shall be priced at the current new price, in effect at date of movement, as listed by a reliable supply store nearest the Joint Property, or point of manufacture, plus transportation costs, if applicable, to the railway receiving point nearest the Joint Property.

(4) Unused new Material, except tubular goods, moved from the Joint Property shall be priced at the current new price, in effect on date of movement, as listed by a reliable supply store nearest the Joint Property, or point of manufacture, plus transportation costs, if applicable, to the railway receiving point nearest the Joint Property. Unused new tubulars will be priced as provided above in Paragraph 2 A (1) and (2).

B. Good Used Material (Condition B)

Material in sound and serviceable condition and suitable for reuse without reconditioning:

(1) Material moved to the Joint Property

At seventy-five percent (75%) of current new price, as determined by Paragraph A.

(2) Material used on and moved from the Joint Property

(a) At seventy-five percent (75%) of current new price, as determined by Paragraph A, if Material was originally charged to the Joint Account as new Material or

(b) At sixty-five percent (65%) of current new price, as determined by Paragraph A, if Material was originally charged to the Joint Account as used Material.

(3) Material not used on and moved from the Joint Property

At seventy-five percent (75%) of current new price as determined by Paragraph A.

The cost of reconditioning, if any, shall be absorbed by the transferring property.

C. Other Used Material

(1) Condition C

Material which is not in sound and serviceable condition and not suitable for its original function until after reconditioning shall be priced at fifty percent (50%) of current new price as determined by Paragraph A. The cost of reconditioning shall be charged to the receiving property, provided Condition C value plus cost of reconditioning does not exceed Condition B value.

(2) Condition D

Material, excluding junk, no longer suitable for its original purpose, but usable for some other purpose shall be priced on a basis commensurate with its use. Operator may dispose of Condition D Material under procedures normally used by Operator without prior approval of Non-Operators.

(a) Casing, tubing, or drill pipe used as line pipe shall be priced as Grade A and B seamless line pipe of comparable size and weight. Used casing, tubing or drill pipe utilized as line pipe shall be priced at used line pipe prices.

(b) Casing, tubing or drill pipe used as higher pressure service lines than standard line pipe, e.g. power oil lines, shall be priced under normal pricing procedures for casing, tubing, or drill pipe. Upset tubular goods shall be priced on a non upset basis.

(3) Condition E

Junk shall be priced at prevailing prices. Operator may dispose of Condition E Material under procedures normally utilized by Operator without prior approval of Non-Operators.

D. Obsolete Material

Material which is serviceable and usable for its original function but condition and/or value of such Material is not equivalent to that which would justify a price as provided above may be specially priced as agreed to by the Parties. Such price should result in the Joint Account being charged with the value of the service rendered by such Material.

E. Pricing Conditions

(1) Loading or unloading costs may be charged to the Joint Account at the rate of twenty-five cents (25¢) per hundred weight on all tubular goods movements, in lieu of actual loading or unloading costs sustained at the stocking point. The above rate shall be adjusted as of the first day of April each year following January 1, 1985 by the same percentage increase or decrease used to adjust overhead rates in Section III, Paragraph 1.A(3). Each year, the rate calculated shall be rounded to the nearest cent and shall be the rate in effect until the first day of April next year. Such rate shall be published each year by the Council of Petroleum Accountants Societies.

(2) Material involving erection costs shall be charged at applicable percentage of the current knocked-down price of new Material.

### 3. Premium Prices

Whenever Material is not readily obtainable at published or listed prices because of national emergencies, strikes or other unusual causes over which the Operator has no control, the Operator may charge the Joint Account for the required Material at the Operator's actual cost incurred in providing such Material, in making it suitable for use, and in moving it to the Joint Property; provided notice in writing is furnished to Non-Operators of the proposed charge prior to billing Non-Operators for such Material. Each Non-Operator shall have the right, by so electing and notifying Operator within ten days after receiving notice from Operator, to furnish in kind all or part of his share of such Material suitable for use and acceptable to Operator.

### 4. Warranty of Material Furnished By Operator

Operator does not warrant the Material furnished. In case of defective Material, credit shall not be passed to the Joint Account until adjustment has been received by Operator from the manufacturers or their agents.

## V. INVENTORIES

The Operator shall maintain detailed records of Controllable Material.

### 1. Periodic Inventories, Notice and Representation

At reasonable intervals, inventories shall be taken by Operator of the Joint Account Controllable Material. Written notice of intention to take inventory shall be given by Operator at least thirty (30) days before any inventory is to begin so that Non-Operators may be represented when any inventory is taken. Failure of Non-Operators to be represented at an inventory shall bind Non-Operators to accept the inventory taken by Operator.

### 2. Reconciliation and Adjustment of Inventories

Adjustments to the Joint Account resulting from the reconciliation of a physical inventory shall be made within six months following the taking of the inventory. Inventory adjustments shall be made by Operator to the Joint Account for overages and shortages, but, Operator shall be held accountable only for shortages due to lack of reasonable diligence.

### 3. Special Inventories

Special inventories may be taken whenever there is any sale, change of interest, or change of Operator in the Joint Property. It shall be the duty of the party selling to notify all other Parties as quickly as possible after the transfer of interest takes place. In such cases, both the seller and the purchaser shall be governed by such inventory. In cases involving a change of Operator, all Parties shall be governed by such inventory.

### 4. Expense of Conducting Inventories

A. The expense of conducting periodic inventories shall not be charged to the Joint Account unless agreed to by the Parties.

B. The expense of conducting special inventories shall be charged to the Parties requesting such inventories, except inventories required due to change of Operator shall be charged to the Joint Account.

EXHIBIT "2"

Attached to and Made a Part of the
Unit Operating Agreement for the
New-Tech Unit Area,
Sublette County, Wyoming

## INITIAL TEST WELL

## AND SUBSEQUENT OBLIGATION TEST WELLS

1. **LOCATION:** The initial test well and/or subsequent obligation test wells shall be drilled at a location selected by Unit Operator and approved by the Authorized Officer of the Bureau of Land Management.

2. **DEPTH:** The initial test well and subsequent obligation test wells shall be drilled conformably with the terms of Article 9 of the New-Tech Unit Agreement.

3. **COSTS:** All costs and expenses incurred in connection with the initial test well or subsequent obligation test wells, including drilling, testing and completing into the tanks, if an oil well, or through gas separator, if a gas producer, and plugging and abandoning, if a dry hole, shall be borne and paid for by Gilman A. Hill and such other parties hereto as agreed to bear such costs in accordance with separate agreement among themselves and where applicable subject to the investment adjustment provisions of Article 13 of this Agreement. Any cash contributions received toward the drilling of the initial test well or subsequent obligation test wells shall belong to the Parties sustaining the risk of drilling the initial test well or subsequent obligation test wells.

4. **TITLE EXAMINATION AREA:** The title examination area for the initial test well or subsequent obligation test wells shall be an area surrounding the location of such well as may be designated by the Unit Operator.

5. **COST OF TITLE EXAMINATION:** The cost of title examination shall be charged as a cost of drilling the initial test well and each obligation test well accordingly.

6. **DEEPENING, PLUGGING BACK:** In the absence of any agreement to the contrary, the attempted completion, deepening or plugging back, and abandonment of the Initial Test Well and/or subsequent obligation test wells shall be governed by the provisions of Section 9.3 to this Agreement.

as an incident to, any act or omission, including negligence (but excluding gross negligence, willful misconduct, or intentional breach of any provision of the Operating Agreement) of Unit Operator or its employees, agents or contractors, in acquiring, operating or maintaining the joint account. The obligations of each Party under this Agreement are several and not joint with any other Party hereto.

Each Party, at the request of any other Party to this Agreement, shall furnish a certificate or certificates executed by the company providing the insurance required hereunder certifying that all required coverages are in full force and effect, will not be terminated, modified or cancelled without at least thirty (30) days notice to the Parties hereto, and contain all endorsements required herein. In the event any Party fails to furnish any such certificate, Unit Operator or any Non-Operator shall have the right, but not the obligation, to obtain such insurance for such Party and the cost thereof shall be charged to and paid by the defaulting Party. All insurance required hereunder shall be provided by reputable insurers, not affiliated with the insured Party, with financial standing satisfactory to al Parties hereto.

Unit Operator shall require contractors and subcontractors performing work for the joint account to provide such insurance as deemed necessary by Unit Operator in relation to the work to be performed by said contractors or subcontractors.

EXHIBIT "3"

Attached to and Made a Part of the
Unit Operating Agreement for the
New-Tech Unit Area,
Sublette County, Wyoming

## INSURANCE

Unit Operator shall, at the joint expense of the Parties hereto, at all times while operations are conducted hereunder, provide with responsible insurance companies, insurance as follows:

(a) Worker's Compensation Insurance in accordance with the laws of the State in which the operating area is located, and Employer's Liability Insurance with limits of not less that $100,000.00 as to any one person;

(b) Public Liability Insurance with respect to bodily injuries with limits of not less than $100,000.00 as to any one person and $300,000.00 as to any one occurrence; and Property Damage Liability Insurance with limits of not less than $100,000.00 as to any one occurrence; and

(c) Automobile Public Liability Insurance with respect to bodily injuries with limits of not less than $100,000.00 as to any one person and $300,000.00 as to any one occurrence; also, Automobile Public Liability Insurance with respect to Property Damage with limits of not less that $100,000.00 as to any one occurrence.

Each Party, at its sole cost, shall maintain at all times while operations are conducted hereunder, the following types and amounts of insurance covering its interest hereunder:

(y) Umbrella Liability Insurance extending the limits of the coverages described in (a), (b) and (c) above to a limit of not less than $25,000,000.00 per occurrence or $100,000,000.00 in the aggregate; and

(z) Control of Well Insurance including expense for Clean-up, Containment, Seepage and Pollution with combined limits of not less than Ten Million Dollars ($10,000,000.00) each occurrence excess of a One Million Dollar ($1,000,000.00) retention.

Each Party shall have the right to acquire at its own cost such additional insurance as it desires to protect itself against any liability not covered by the insurance described above which is maintained by Unit Operator for the joint account. All insurance maintained by any Party to this Agreement shall contain a waiver by the insurance company of all rights of subrogation in favor of the Parties hereto. Liability, except that covered by insurance carried by Unit Operator for the joint account, against any of the Parties hereto for damages to property of third persons or injury to or death of third persons arising out of the joint operations, including expenses incurred in defending claims or actions asserting liability of this character, shall be borne severally and not jointly by the Parties hereto (or their respective insurers) in proportion to their respective undivided interests in the joint operation. All insurance carried by Unit Operator hereunder for the joint account shall be considered primary in relation to any other insurance carried by any Party hereto.

Fire, windstorm, tornado, explosion, vandalism, malicious mischief, or other extended perils insurance will not be carried by Unit Operator to protect the joint interests. Therefore, the account of the Parties shall be charged with all expenditures incurred as a result of fire, windstorm, tornado, explosion, vandalism, malicious mischief, or other casualties for which insurance is not required hereunder.

Inasmuch as Unit Operator has agreed with each Party to this Agreement to acquire, construct, operate and maintain the joint account operations on a cost basis with profit to Unit Operator, each such Party hereby releases from all claims for loss by or damage to, such Party arising out of, in connection with, or

EXHIBIT "4"

Attached to and Made a Part of the
Unit Operating Agreement for the
New-Tech Unit Area,
Sublette County, Wyoming

## EXECUTIVE ORDER 11246 AND EXECUTIVE ORDER 1158
## PROVISIONS OF SECTION 202 OF EXECUTIVE ORDER 11246

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure the applicants are employed and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor s to post in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting office, advertising the labor union or workers' representative of the contractors' commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts, by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's non-compliance with the non-discrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provision will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

No. 958KP 1 Rev. 1971.

# OIL AND GAS LEASE

AGREEMENT, Made and entered into this _____ day of _____, 19____, by and between _____, party of the first part, hereinafter called lessor, (whether one or more) and _____, party of the second part, hereinafter called lessee.

WITNESSETH: That the lessor for and in consideration of _____ Dollars in hand paid, receipt of which is hereby acknowledged, of the royalties herein provided, and of the agreements of lessee herein contained, hereby grants, demises, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas, casinghead gas and other hydrocarbons and including all other products produced therefrom; laying pipe lines, building tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport, and own said products, and housing its employees, the following described land in _____ County, State of _____, to-wit:

EXHIBIT "5"
Attached to and made a part of the Unit Operating Agreement for the
New-Tech Unit Area
Sublette County, Wyoming

including all minerals hereinabove named underlying lakes, streams, roads, easements and rights-of-way which traverse or adjoin said lands owned or claimed by lessor, or which may hereafter be established to be owned by lessor, and also in addition to the above described land and rights, any and all strips or parcels of land, other than those constituting regular governmental subdivisions, adjoining or contiguous to the above described land and owned or claimed by lessor, all of the foregoing land being hereinafter referred to as said land or leased premises. For the purpose of calculating the rental payments for which provision hereinafter is made, said land shall be treated as comprising _____ acres whether it actually comprises more or less.

TO HAVE AND TO HOLD the same (subject to the other provisions herein contained) for a term of ten years from this date (called primary term) and as long thereafter as oil, gas, casinghead gas or other hydrocarbons or either or any of them, is produced therefrom; or as much longer thereafter as the lessee in good faith shall conduct drilling operations or reworking operations thereon and should production result from such operations, this lease shall remain in full force and effect as long as oil, gas, casinghead gas or other hydrocarbons shall be produced therefrom.

In consideration of the premises it is hereby mutually agreed as follows:

1. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

2. The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth of the gas sold or used, provided that on gas sold the royalty shall be one-eighth of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by Lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event Lessee compresses, treats, purifies, or dehydrates such gas (whether on or off the lessed premises) or transports gas off the leased premises, Lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed. If a well capable of producing gas or gas and gas-condensate or distillate in paying quantities located on the leased premises (or on acreage pooled with all or a portion of the leased premises into a unit for the drilling or operation of such well) is at any time shut-in and no gas or gas-condensate or distillate therefrom is sold or used off the premises for the manufacture of gasoline or other products, nevertheless such shut-in well shall be deemed to be a well on the leased premises producing gas in paying quantities and this lease shall continue in force during all of the time or times while such well is so shut-in, whether before or after the expiration of the primary term hereof. Lessee shall use reasonable diligence to market gas or gas-condensate or distillate capable of being produced from such shut-in well but shall be under no obligation to market such products under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. Lessee shall be obligated to pay or tender to lessor within 45 days after the expiration of each period of one year in length (annual period) during which such well is so shut-in, as royalty, an amount equal to annual delay rental herein provided applicable to the interest of lessor in acreage embraced in this lease as of the end of such annual period; provided that if gas or gas-condensate or distillate from such well is sold or used as aforesaid before the end of such annual period, or if, at the end of such annual period, this lease is being maintained in force and effect otherwise than by reason of such shut-in well, lessee shall not be obligated to pay or tender, for that particular annual period, said sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Such payment may be made or tendered to lessor or to lessor's credit in the designated depository bank in the manner prescribed for the payment of delay rentals. Royalty ownership as of the last day of each such annual period as shown by lessee's records shall govern the determination of the party or parties entitled to receive such payment.

3. If operations for the drilling of a well for oil or gas are not commenced on said land on or before one year from this date, this lease shall terminate as to both parties, unless the lessee shall, on or before one year from this date, pay or tender to the lessor or for the lessor's credit in _____ Bank at _____, or its successor or successors, which bank and its successors are lessor's agents and which shall continue as the depository regardless of changes in the ownership of the land or in the oil or gas or the rentals to accrue hereunder, the sum of _____ Dollars which shall operate as a rental and cover the privilege of deferring the commencement of operations for the drilling of a well for a period of one year. In like manner and upon payments or tenders, the commencement of operations for the drilling of a well may be further deferred for like periods successively during the primary term of this lease. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. All payments or tenders may be made by check, or draft, of lessee or any assignee thereof, mailed or delivered on or before the rental paying date. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered herein is reduced by said release or releases.

4. If prior to discovery of oil or gas on said premises Lessee should drill a dry hole or holes thereon, or if after discovery of oil or gas all wells thereon should become incapable of producing for any cause, this lease shall not terminate if lessee commences operations for additional drilling or for reworking within sixty (60) days thereafter or (if it be within the primary term) commences or resumes the payment or tender of rentals on or before the rental paying date next ensuing after the expiration of sixty (60) days from date of completion of dry hole or cessation of production. If at the expiration of the primary term there is no well upon the leased premises capable of producing oil, gas, casinghead gas or other hydrocarbons, but lessee has commenced operations for drilling or reworking thereon, the lease shall remain in force so long as operations are prosecuted with no cessation of more than sixty (60) days, whether such operations be on the same well or on a different or additional well or wells, and if they result in the production of oil, gas, casinghead gas or other hydrocarbons, so long thereafter as oil, gas, casinghead gas or other hydrocarbons or either or any of them is produced from the leased premises.

5. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate herein, then the royalties and rentals herein provided for shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee.

6. Lessee shall have the free use of oil, gas, casinghead gas and water (regardless of the source) from said land, except water from lessor's wells, for all operations hereunder, and the royalty on oil, gas and casinghead gas shall be computed after deducting any so used.

When requested by lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its operations to growing crops on said land.

Lessee shall have the right at any time (but not the obligation) to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns of the parties hereto. Not withstanding any actual or constructive knowledge of or notice to lessee, no change or division in the ownership of the lands, royalties, or rentals, however accomplished, shall be binding upon the lessee (except at lessee's option in any particular case), until sixty (60) days after lessee shall have been furnished with the original, a copy certified by the official recorder of the county where the land or some part thereof is located, or a photostat of the recorded instrument or instruments evidencing the change or transfer, including any intermediate transfer from the lessor or his assigns not theretofore furnished to lessee, and such change or transfer shall not affect any payments made prior to said date whether or not due. In case of death of any person entitled to receive royalties or rentals, the evidence of change in ownership shall consist of letters of administration or final decree of distribution of the estate of the decedent issued by a court of competent jurisdiction of the decedent's estate including his interest in the lands above described. Lessee may until such date continue to pay such royalties and rentals as if such change or transfer had not been made, or may pay the same according to the interests of record as disclosed by the last certification of an abstract in lessee's possession subsequent to the date of the lease, or at lessee's option, may suspend the payment thereof until sixty (60) days after such evidence is received. No change or division in the ownership of the land, royalties, or rentals shall operate to enlarge the obligations or diminish the rights of the lessee. No division of royalties shall be made effective except at the end of a calendar month. If the ownership of royalties becomes changed into separate divided portions of said land and the owner of any such royalty desires separate gauges for production from such separate tracts, he shall request the lessee to set separate measuring and receiving tanks and pay to the lessee in advance the lessee's estimated cost of procuring and setting such tanks and making the connections therefore; and unless and until such is done, lessee may pay such royalties to the separate owners jointly or may suspend payment until such time as said separate owners shall agree in writing upon an apportionment of such royalties and furnish lessee with the original agreement. In event of assignment of this lease as to a segregated portion or portions of said land, all rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. The acreage included in any assignment as recited therein in good faith shall be conclusive for the purpose of payment of rentals. Whether or not this lease be owned by one party or by two or more different parties, production under the terms of this lease, or drilling or reworking operations on any portion of the land above described, shall keep this lease in effect upon all the land herein leased. The lessee shall not be liable for the failure of any subsequent owner of this lease, in whole or in part, to perform the terms, conditions and obligations of this lease, express or implied. Offsetting shall never be required to protect one portion of the leased premises against drainage through a well or wells on another portion of the leased premises. If six or more parties become entitled to royalty hereunder, lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating a trustee to receive payment for all.

8. Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to lessor shall be based upon production only as so allocated. Lessor shall formally express lessor's consent to any cooperative or unit plan of development or operation adopted by lessee and approved by any governmental agency by executing the same upon request of lessee.

[redacted] [redacted] [redacted]

9. In addition to and not in limitation of the rights granted in paragraph 8 hereof, lessee is hereby granted the right and option to consolidate, pool or combine the lands covered by this lease, or any portion or portions thereof or any stratum or strata thereunder, with other lands or like strata thereunder for the development thereof or for the production therefrom of oil, gas, casinghead gas or other hydrocarbons, or any or all of said products, when in lessee's discretion and judgment it is advisable so to do for proper development or operation of the premises, or to conform to spacing or zoning rules of any lawful authority, such consolidation, pooling or combining to be into units of such shape and dimensions as lessee may elect provided that any such unit when completed shall be composed of tracts each of which is contiguous to, touches or corners with some one or more of the other tracts in the unit in such manner as to form one connected tract or unit, and provided, further, that any tracts included in any such unit separated only by a street, alley, road, railroad, canal, stream, right-of-way or other similar strip or parcel of land shall be considered as contiguous, cornering or touching within the meaning of this paragraph. Any unit formed under this paragraph for production of oil and casinghead gas shall not exceed one hundred sixty-three (163) acres in surface area, and for production of dry or gas well gas or dry or gas well gas and condensate or distillate shall not exceed six hundred sixty (660) acres in surface area. If some larger unit for the production of oil and casinghead gas or dry or gas well gas or dry or gas well gas and condensate or distillate is permitted or prescribed by lawful authority, then in such event such larger unit shall control, provided that, if governmental survey units be irregular in size in the area of this lease, the size of any of the units mentioned herein may be increased to the size of the there existing governmental survey unit nearest in size to the unit acreage prescribed herein.The right and option herein granted to lessee may be exercised at any time or from time to time, whether before or after production is secured and whether or not a unit may theretofore have been created for some other product, by executing in writing an instrument identifying and describing the unit created, and by delivering a copy thereof to lessor or by recording a copy thereof in the county where the land is located. The lands in any such unit shall be developed or operated as one tract and any operations for the drilling of a well on or production from such unit, whether or not from lands described in this lease, shall be deemed to be drilling operations on or production secured on lands subject to this lease for all purposes except for the purpose of payment of royalty hereunder; provided, further, that any operations for drilling and completing a well on any such unit shall be deemed to be operations on the lands described in this lease and under the terms thereof regardless of whether said operations result in a well of the type covered in the instrument declaring such unit or a well of a type not covered by such instrument. In lieu of the royalties elsewhere herein specified, the lessor shall receive from production on any such unit only such portion of the royalty, at the rate stipulated elsewhere herein, as lessor's acreage in the unit (or his royalty interest therein) bears to the total acreage of the unit. Formation of any unit as herein provided shall in no manner affect the ownership or amount of any rental which may be payable under the terms of this lease.

10. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon the leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

11. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge any taxes, mortgage, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

12. In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. 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 its obligations hereunder.

13. All express and implied covenants of this lease shall be subject to all federal and state laws, executive orders, rules and regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damage for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation, or if such compliance is prevented by or failure is the result of inability of lessee through no fault of its own, to obtain sufficient and satisfactory material and equipment to justify the commencement of drilling operations or to continue production of oil or gas from the leased premises

14. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor or lessee.

15. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

16. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as lessors.

WHEREOF witness our hands as of the day and year first above written.

_____ _____

_____ _____

_____ S. S. # _____ _____ S. S. # _____

_____ S. S. # _____ _____ S. S. # _____

## COLORADO AND WYOMING INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____ }
COUNTY OF _____ } ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 19____,

by _____.

Witness my hand and official seal.

_____
Notary Public

My commission expires: _____

_____
Place of Residence

## UTAH INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____ }
COUNTY OF _____ } ss.

On the _____ day of _____, 19____, personally appeared before me _____

_____, the signer of the above instrument, who duly acknowledged to me that he executed the same.

_____
Notary Public

My commission expires: _____

_____
Place of Residence

No. _____

**OIL AND GAS LEASE**

FROM

_____

TO

_____

State of _____ } ss.
_____ County }

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—Register of Deeds.

By _____ Deputy.

When recorded return to

252

EXHIBIT "6"

Attached to and Made a Part of the
Unit Operating Agreement for the
New-Tech Unit Area,
Sublette County, Wyoming

# GAS BALANCING AGREEMENT

1. In accordance with the terms of the Unit Operating Agreement, each Party thereto has the right to take its share of gas produced from lands subject to said Unit Operating Agreement and market the same. In the event any of the Parties hereto is not at any time taking or marketing its share of gas or has contracted to sell its share of gas produced to a purchaser which does not at any time while this Agreement is in effect take the full share of gas attributable to the interest of such Party, the terms of this Agreement shall automatically become effective.

2. During the period or periods when any Party hereto has no market for all of its share of gas produced or its purchaser does not take its full share of gas produced, the other Parties shall be entitled to produce each month one hundred percent (100%) of the allowable assigned or in the absence of an assigned allowable the maximum production capacity and shall be entitled to take and deliver to its or their purchaser such gas production. All Parties hereto shall share in and own the liquid hydrocarbons recovered from such gas by lease equipment in accordance with their respective interests and subject to the Unit Operating Agreement, but the Party or Parties taking such gas shall won all of such gas delivered to its or their purchaser.

3. On a cumulative basis, each Party not taking or marketing its full share of the gas produced shall be credited with gas in storage equal to its full share of the gas produced under this Agreement, less its share of gas used in lese operations, vented or lost, and less that portion such Party took or delivered to its purchaser. The Unit Operator (as that term is defined in the Unit Operating Agreement) will maintain a current account of the gas balance between the Parties and will furnish all Parties hereto monthly statements showing the total quantity of gas produced, the amount used in lease operations, vented or lost, the total quantity of liquid hydrocarbons recovered therefrom, and the monthly and cumulative over-and -under account of each Party.

4. At all times while gas is produced, each Party hereto will make settlement with the respective royalty owners to who it is accountable, just as if each Party were taking or delivering to a purchaser its share, and its share only, of such gas production exclusive of gas used in lease operations, vented or lost. Each Party hereto agrees to hold each other Party harmless from any and all claims for royalty payments asserted by royalty owners to whom each Party is accountable. The term "royalty owner" shall include owners of royalty, overriding royalties, production payment, and similar interests.

5. After notice to the Unit Operator, any Party which has gas in storage pursuant to the terms hereof at any time may begin taking or delivering to its purchaser its full share of the gas produced less such Party's share of gas used in operations, vented or lost. In addition to such share, each Party, including the Unit Operator, until it has recovered its gas in storage and balanced the gas account as to its interest, shall be entitled to take or deliver to its purchaser a share of gas determined by multiplying 25% of the interest in the current gas production of the Party or Parties without gas in storage by a fraction; the numerator of which is the interest of such Party with gas in storage and the denominator of which is the total percentage interest of all Parties with gas in storage currently taking or delivering to a purchaser.

6. Each Party producing and taking or delivering gas to its purchaser shall pay any and all production taxes due of such gas.

7. Nothing herein shall be construed to deny any Party the right, from time to time, to produce and take or deliver to its purchaser its full share of the gas production to meet the deliverablility tests required by its purchaser.

8. Should production of gas be permanently discontinued before the gas account is balanced, settlement will be made within sixty (60) days between the underproduced and overproduced Parties. In making such settlement, the underproduced Party or Parties will be paid a sum of money by the overproduced Party or Parties attributable to the overproduction which said overproduced Party received, less applicable taxes theretofore paid, at the applicable prices over the term of delivery for a volume of gas equal to that for which settlement is made. The price basis shall be the rate collected, form time to time, which is not subject to possible refund, as provided by the Federal Energy Regulatory Commission pursuant to final order or settlement applicable to the gas sold, plus any additional collected amount which is not ultimately required by said Commission to be refunded, such additional collected amount to be accounted for at such time as final determination is made with respect thereto.

9. Nothing herein shall change or affect each Party's obligations to pay its proportionate share of all costs and liabilities incurred, as its share thereof is set forth in the Unit Operating Agreement.

10. The terms and provisions of this Agreement shall apply separately to each well and/or separate completion in each well. Underproduction of one well or completion shall not be recouped by overproduction of any other well or completion.

11. Notwithstanding anything contained herein to the contrary, no Party shall have the right to produce more than its proportionate share of Producible Reserves from any separate completion en each well without the consent of all other Parties having working interests in such completion. As used herein, the term "Producible Reserves" means estimated quantities of natural gas which geological and engineering data indicate to be recoverable in future years form a completion in a particular well under existing and anticipated economic and operating conditions, as such quantities may be form time to time revised. Unit Operator shall be responsible for determining the Producible Reserves attributable to each separate completion and shall advise each of the Non-Operators of it s determination from time to time a such determination is made, but no less frequently than once every twelve (12) months. For a period of thirty (30) day following mailing of a notice of determination, Non-Operators may submit to Operators proposed adjustments to such reserve determination which Operator may accept or reject, and any revision by Unit Operator shall be made within said thirty (30) day period. Unit Operator's determination, however, shall be final unless within thirty (30) days after mailing to Non-Operators of any such reserve determination or a revision thereof, Non-Operators comprising not less than fifty percent (50%) of the working interest in the completion zone for which the determination is made request an independent determination of reserves. If such a request is made, then such reserves for such completion zone shall be determined by an independent reservoir engineering consulting firm acceptable to a majority of working interest owners, and the cost of such independent determination shall be charged to the joint account.

At such time as a Party has produced eighty percent (80%) of its proportionate share of Producible Reserves, such Party may make no further sales of gas production from such completion zone which will not be in balance with the sales of other Parties with Unit Operator's consent. Unit Operator may refuse to consent to out of balance sales until the Party desiring to sell has furnished Unit Operator with adequate assurance of such Party's ability to pay future costs which may be subsequently chargeable to such Party under the Unit Operating Agreement and to pay any potential cash balancing under this Gas Balancing Agreement upon depletion. Such assurance may be in the form of a bond or letter of credit or in any other form as the Unit Operator deems appropriate. A Party may not produce more than one hundred percent (100%) of its proportionate share of producible reserves without the written approval on one hundred percent (100%) of the working interest owners of such reserves.

Unit Operator shall incur no liability to other working interest owners for its good faith administration of the gas balancing provisions contained herein. In the event Unit Operator is sued by any third Parties as a result of Unit Operator's actions in enforcing these provisions, the costs and expenses of Unit Operator's legal defense shall be charged to the joint account.

Pages

255

Through

257

ARE BLANK

OR

(Non-Existent)

# CONVEYANCE AND ASSIGNMENT

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

REFERENCE is made to the mineral interests, royalties, overriding royalties, oil and gas leases and the lands described on Exhibit A attached hereto, hereinafter referred to as the "Subject Interests".

For a valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Edith E. Brasher, Individually and as Independent Executrix under the Will of Nugent T. Brasher, deceased, hereinafter referred to as "Grantor", hereby GRANTS, SELLS, ASSIGNS and CONVEYS unto First RepublicBank Midland, N.A., Trustee of the Edith Elizabeth Brasher 1986 Management Trust under Agreement of April 18, 1986, as amended May 6, 1986, whose address is 303 W. Wall, Midland, Texas 79701, hereinafter referred to as "Grantee", its successors and assigns, all of Grantor's right, title and interest in and to the Subject Interests, together with a like interest in and to all other lands or leases located within the State of Wyoming in which Grantor owns an interest and a like interest in and to all personal property, improvements and leasehold equipment located on said lands; it being the intent of Grantor to convey to Grantee all interests in minerals, royalties, overriding royalties, production payments or leasehold interests or interests in personal property of any kind used in connection with any of such interests located in the State of Wyoming, regardless of whether said interests are actually or accurately described on Exhibit "A".

Grantee's interest is subject expressly to all overriding royalties and other burdens presently of record covering and affecting the interests herein conveyed.

This conveyance is made without warranty of title, either express or implied, and Grantor assumes no obligation or liability as to the merchantability of title or the accuracy of the interests conveyed herein.

EXECUTED this 6th day of October, 1987, effective as of October 1, 1987.

RECORDED Oct 22 1987 10:30 AM 218544
IN BOOK 80 O&G PAGE 258
FEES $ 6.00 Mary L. Lunsford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

Edith E. Brasher
EDITH E. BRASHER, INDIVIDUALLY AND AS INDEPENDENT EXECUTRIX UNDER THE WILL OF NUGENT T. BRASHER, DECEASED

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me on this the 6th day of October, 1987, by EDITH E. BRASHER, INDIVIDUALLY AND AS INDEPENDENT EXECUTRIX UNDER THE WILL OF NUGENT T. BRASHER, DECEASED.

NOTARY PUBLIC

My Commission Expires:
7-31-89
207/111/02

Barbara Gray
Name: BARBARA GRAY
Notary Public in and for
Said County and State

# EXHIBIT "A"

## SUBLETTE COUNTY, WYOMING

Undeveloped Property:

Oil and Gas Lease from the United States of America, Serial No. W-63824 covering all of Sections 28, 29, 32 and 33, T-36-N R-111-W 6th PM.; containing 2,560.00 Acres.

Overriding Royalty Interest: .015625

[redacted] [redacted] [redacted]

4/86 skk

# RELEASE OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That, CITIES SERVICE OIL AND GAS CORPORATION, a Delaware Corporation, does hereby release, relinquish and surrender all of its right, title and interest in and to the following described Oil and Gas Lease, situated in SUBLETTE County, State of WYOMING, identified by reference to the number assigned thereto by Lessee, the lease date, the name of the Lessor, the book and page of the recording thereof, and the description of the land covered thereby to-wit:

| | |
|---|---|
| LEASE NUMBER: | 6-4907529/4907529 |
| DATE: | April 2, 1976 |
| LESSOR: | State of Wyoming (76-0259) |
| LESSEE: | Marguerite P. Smith |
| RECORDING DATA: | Book 59, Page 132 |
| DESCRIPTION: | Township 28 North, Range 106 West, 6th P.M.:<br>Section 19: NE/4 SW/4<br>Section 30: Lots 3, 4 |

Executed on this 1st day of October, 1987.

CITIES SERVICE OIL AND GAS CORPORATION

By _____
P. N. McGee, Attorney-in-Fact

218558

RECORDED Oct. 22 1987 1:25 PM
IN BOOK 80 O&G PAGE 260
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

STATE OF OKLAHOMA )
) SS
COUNTY OF TULSA )

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by P. N. McGee, as Attorney-in-Fact, for CITIES SERVICE OIL AND GAS CORPORATION.

Witness my hand and official seal.

My Commission Expires:

February 11, 1991

_____
Sharon K. Kruse, Notary Public

SHARON K. KRUSE NOTARY PUBLIC IN AND FOR OKLAHOMA TULSA COUNTY

# ASSIGNMENT OF OIL AND GAS ROYALTY

THIS AGREEMENT, made and entered into on the 8th day of January A.D., 1973 by and between John E. Gallivan and Frank M. Gallivan Jr. hereinafter called Assignor and JLA Trust of Cheyenne, Wyoming, hereinafter called Assignee:

WITNESSETH:

That the undersigned Assignor, for and in consideration of the sum of Ten and no/100 Dollars ($10.00), and other good and valuable considerations, to them in hand paid by said Assignee, the receipt whereof is hereby confessed and acknowledged, does hereby SELL, ASSIGN, TRANSFER, SET OVER and CONVEY unto said Assignee, its heirs, personal representatives and assigns, an overriding royalty interest equal to One-half of One percent (½ of 1%) of all of the oil, gas, natural gasoline, and other products obtained from gas, produced and saved from the following described lands under that certain oil and gas lease made and entered into by and between the United States and Frank M. Gallivan, as lessee, under date of May 1, 1968, bearing Wyoming Serial No. 12113 on the following described lands situated in Sublette County, State of Wyoming, to-wit:

Township 37 N., Range 114 W. 6th P.M., Wyo.
Sec. 10: NE¼, E½NW¼, SW¼NW¼, S½
Sec. 15: All

1240 acres

218558

RECORDED Oct 23 19 87 8:30 A M
IN BOOK 80 O&G PAGE 261
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

TO HAVE AND TO HOLD all and singular the said royalty unto said Assignee, its heirs, personal representatives and assigns, forever.

WITNESS our hand and seal this 8th day of January, 19 73.

Frank M Gallivan Jr
L E Gallivan

STATE OF Wyoming } SS.
COUNTY OF Laramie }

On this 8th day of January, A.D., 1973, before me personally appeared John E. Gallivan and Frank M. Gallivan Jr. to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires:

Shirley A Cantine
Notary Public

Shirley A. Cantine - Notary Public
County of Laramie State of Wyoming
MY COMMISSION EXPIRES JUNE 18, 1975

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00+), and other good and valuable consideration, the receipt of which is hereby acknowledged, that I,

Flora A. Morgan, Attorney-In-Fact for Mary R. Morgan, a widow
and sole heir to the Estate of J. Gordon Morgan, deceased
1555 Monroe Street
Denver, Colorado 80206

hereinafter referred to as "Assignor", do hereby assign, transfer sell and convey unto K & J Investment Company, a Utah Corporation, hereinafter referred to as "Assignee", all right title and interest in and to all of Assignor's interest, effective as of date of first runs, of all the oil, gas and other hydrocarbons, and all other minerals produced, saved and sold from the lands set out in and covered by United States of America federal Oil and Gas Lease number Ev-020357 insofar as said oil and gas lease covers the following lands, to-wit:

Township 28 North, Range 113 West 6th P.M.
Section 6: Lots 8, 9, 10, 11, 12, 13, 14, 15, S½NE¼;
Section 17: Lot 2, N½NW¼, SE¼NW¼

Containing 476.01 acres, more or less
Sublette County, Wyoming

FILED
1987 OCT 13 AM 9 30
SHIRLEY A. HAMMOND
SUBLETTE COUNTY, WYOMING

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignee.

In witness whereof this instrument is executed on this 23 day of ~~August~~ Sept., 1987.

218569

RECORDED Oct. 26 1987 9:40 AM
IN BOOK 80 O&G PAGE 262
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

Flora A Morgan
Flora A. Morgan, Attorney-In-Fact for Mary R. Morgan, a widow and sole heir to the Estate of J. Gordon Morgan, deceased

---

STATE OF COLORADO )
COUNTY OF Denver ) ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 23rd day of ~~August~~ September, 1987, personally appeared Flora A. Morgan, Attorney-In-Fact for Mary R. Morgan, a widow and sole heir to the Estate of J. Gordon Morgan, deceased

and _____

_____, to me known to be the identical person....., described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires August 9, 1988

Mary Lou Creed
Notary Public.

My Commission Expires August 9, 1988
550 Petroleum Bldg.
Denver, Colorado 80202

262

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Form 3000-3
(December 1986)
(formerly 3106-5 & 3200-17)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

Lease Serial No.
W-53496

New Serial No.

0050084000

# ASSIGNMENT OF RECORD TITLE INTEREST IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

**Type or print plainly in ink and sign in ink.**

## PART A: ASSIGNMENT

1. Assignee: Enron Oil & Gas Company
   Street: P. O. Box 1188
   City, State: Houston, Texas
   Zip Code: 77251-1188

218573

Additional Assignees

RECORDED Oct. 26 1987 10:45 AM
IN BOOK 80 O&G PAGE 263
FEES $ 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mae Riley

This record title assignment is for: *(Check one)* ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* ☒ Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| T28N-R112W 6th P.M.<br>Section 29: W/2E/2, W/2<br>Section 30: Lots 2, 3, 4, E/2, E/2W/2<br>Section 31: Lots 1, 2, 3, E/2, E/2W/2<br>Section 32: W/2NW/4<br><br>Containing 1,712.98 acres, more or less,<br>Sublette County, Wyoming | 100% | 100% | None | None | 3% |

**FOR BLM USE ONLY**

1[illegible] 43 3500840000

UNITED STATES OF AMERICA

**This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.**

☒ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective OCT 1 1987

By Fred O Ferrell
(Authorized Officer)

SUPERVISOR, MAINTENANCE UNIT
(Title)

OCT 1 198
(Date)

FOR ASSIGNEE

Tear [redacted] Tear [redacted] Tear

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

## PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.

2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, nation, or resident alien of the United States or association of such citizen, nationals, resident aliens or private, public or municipal corporations. (b) Assignee is not considered a minor under the laws of the State in which the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; and (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For oil and gas assignments, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal assignments, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

This assignment made without warranty either express or implied.

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 20th day of August, 1987

Assignor BELCO PETROLEUM CORPORATION

or Robert J. Hermann

Attest: Assistant Secretary Lewis P. Chandler, Jr.

Name of assignor as shown on current lease or assignment Belco Petroleum Corporation

P. O. Box 1188, Houston, Texas 77251-1188

(Assignor's Address)

Executed this 20th day of August, 1987

Assignee ENRON OIL & GAS COMPANY

or R. W. Usrey, Vice President - Land

Attest: Jeffers Spencer Assistant Secretary

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*U.S.GPO:1987-0-773-017/61214

WY-307, Russ Field

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of April 30, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

By: Donald L. Peterson

~~Joseph C. Menefin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLORADO

218574

RECORDED Oct. 26 1987 10:45 AM
BOOK 80 O&G PAGE 265
$22.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Jean Riley

ATTEST:

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

PATRICK D. MAHER

JORDAN R. SMITH

ENERGETICS, INC., a Delaware corporation

By: ~~Joseph C. Mencin~~ Jordan R. Smith
~~Agent and Attorney in Fact~~ President

ATTEST:

By: Marguerite C. Scott
Assistant Secretary

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

J. E. BRAAS

KENT R. ELLISON

DOUGLAS H. SMITH

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____

By:_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

COUNTY OF COLORADO )
)ss
STATE OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

COUNTY OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1978 Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, eff. April 30, 1984, between Energetics Operating Company and Energetics 1979 Year-End Limited Partnership, et al.

| | |
|---|---|
| * Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 17.82000000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 10.35000000% |
| Energy Associates N.W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | .60000000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.56000000% |
| Boettcher Management 1978 Drilling Program<br>828-17th Street<br>P. O. Box 54<br>Denver, Colorado 80202 | 3.00000000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 2.01000000% |
| Burton G. Ross, Trustee for the<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .24000000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 1.650000000% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 9.60000000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 2.00000000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.12392000% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 2.12392000% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.15648000% |

* SEE RIDER ATTACHED.

| | |
|---|---|
| * Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 22.35000000% * |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .15568000% |
| J. E. Brass<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .12929544% |
| Kent R. Ellison<br>711 Vanadlia Street<br>St. Paul, Minnesota 55114 | .12929544% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55429 | .08619696% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 18.53521216% |
| Dakel Company<br>P. O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .38000000% |

* SEE RIDER ATTACHED.

## EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective April 30,1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the baee of the Almy formation. | Not Available |

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective April 30, 1984, by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

[redacted] [redacted] [redacted]

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

WY-307, Russ Field
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. This Assignment is made without representation or warranty of title, either express or implied.

4. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

5. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

218575

RECORDED Oct. 26 1987 10:45A M
IN BOOK 80 O&G PAGE 273
FEES $ 17.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of May 1, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ATTEST:

Suzanne R. Kalutkiewicz
Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING CORPORATION SEAL

ENERGETICS OPERATING COMPANY

By Donald L. Peterson
~~Joseph C. Mencin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By: ~~Joseph C. Mencin~~ Jordan R. Smith
JWD ~~Agent and Attorney in Fact~~ President

GUARANTY CAPITAL INVESTORS LIMITED

By: _____

ATTEST:

By: _____

DAKEL COMPANY

By: _____

ENERGY ASSOCIATES N.W. 1978-A

By: _____

ATTEST:

By: _____
Lou Switzer, Assistant Secretary

ENERGETIC 1978 LIMITED PARTNERSHIP, BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: _____
J. Thomas Reagan, President

D&R ENERGY PROGRAM 1978

By: _____

TONI ROSEN TRUST 1978

By: _____
Burton G. Ross, Trustee

ATTEST:

By: _____

BACKER RESOURCES, INC.

By: _____

BOETTCHER MANAGEMENT 1978 DRILLING
PROGRAM

By: _____

ATTEST:

SPACE RESOURCES, INC.

By:_____

By:_____

ATTEST:

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

By:_____

ROBERT L. MEHL

PATRICK D. MAHER

JORDAN R. SMITH

ATTEST: OIL FINDERS, COLO.

ROCKY MOUNTAIN OILFINDERS, INC.

By: Marguerite C. Scott
Assistant Secretary

By:_____

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF CO

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

[redacted] [redacted] [redacted]

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MAY 1, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| **Energy Associates N. W. 1978-A**<br>**Suite #1215 Norton Building**<br>**801-2nd Avenue**<br>**Seattle, Washington 98104** | **1.5000%** |
| **Energetics 1978 Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | **13.9000%** |
| **Boettcher Management 1978 Drilling Program**<br>**828-17th street**<br>**P. O. Box 54**<br>**Denver, Colorado 80202** | **7.5000%** |
| **D&R Energy Program 1978**<br>430 International Centre<br>900 Second Avenue South<br>**Minneapolis, Minnesota 55416** | **5.0250%** |
| **Burton G. Ross, Trustee for the Toni Rosen Trust 1978**<br>808 Nicollet Mall, Suite 500<br>**Minneapolis, Minnesota 55402** | **.6000%** |
| **Space Resources, Inc.**<br>**444 Lafayette Road**<br>**St. Paul, Minnesota 55101** | **4.1250%** |
| **Backer Resources, Inc.**<br>**P. O. Box 10354**<br>**1040-609 Granville Street**<br>**Vancouver, B.C. Canada V7Y 1G5** | **24.0000%** |
| **Energetics 1978-B Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | **5.0000%** |
| **Robert L. Mehl**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **5.3098%** |
| **Patrick D. Maher**<br>13275 E. Fremont Place, Suite 203<br>**Englewood, Colorado 80112** | **5.3098%** |
| **Jordan R. Smith**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **2.8912%** |
| * **Energetics, Inc. a Delaware corporation**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **16.8000%** |
| **Rocky Mountain Oilfinders, Inc.**<br>6060 S. Willow Drive #3112<br>**Englewood, Colorado** 80111-5112 | **.3892%** |
| **Guaranty Capital Investors Ltd.**<br>**200 Transwestern II Building**<br>**P. O. Box 31515**<br>**Billings, Montana 59107-1515** | **6.6947%** |
| **Dakel Company**<br>P.O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | **.9553%** |

* SEE RIDER ATTACHED.

EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective May 1, 1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4, NE¼<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the base of the Almy formation down to all depths. | Not Available |

377

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

278

279

Federal 42-11
WY-307

# ASSIGNMENT OF OVERRIDING ROYALTY TO MULTIPLE ASSIGNEES

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Ave., Ste 133, Englewood, Co 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter collectively referred to as "ASSIGNEE") as set out beside their respective names, an undivided overriding royalty interest free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom. Said overriding royalty interest shall be a total of 6.25% of 8/8ths of all revenue payable from the production of all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed from the oil and gas leases described in Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover those lands situated in Sublette County, Wyoming.

218576

RECORDED Oct. 26 1987 11:00 AM
IN BOOK 80 PAGE 279
FEES $19.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

| | |
|---|---|
| * Energetics Inc., a Delaware corp.<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.0500000% |
| Energy Associates N.W. '78-B<br>1215 Norton Building<br>801 - 2nd Avenue<br>Seattle, Washington 98104 | .0937500% |
| Burton G. Ross, Trustee<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .0375000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | .257813% |
| Backer Resources, Inc.<br>P.O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C., Canada V7Y 1G5 | 1.5000000% |
| Energetics 1978B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .3125000% |

* SEE RIDER ATTACHED.

[redacted] [redacted] [redacted]

| | |
|---|---|
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | .3318620% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | .3318620% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | .1807000% |
| D & R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | .3140630% |
| Boettcher Management 1978 Drilling Program<br>828 - 17th Street<br>Denver, Colorado 80201 | .4687500% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .8687500% |
| Dakel Company<br>P.O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .0597050% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P.O. Box 31515<br>Billings, Montana 59107-1515 | .4184200% |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .0243250% |

TO HAVE AND TO HOLD the interest transferred and assigned unto Assignee, its heirs, devisees, personal representatives, successors and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. Assignor reserves the right, without consent of Assignee, to pool, unitize or otherwise combine all or any portion of said leases and the overriding royalty interest herein conveyed, with any other leases covering other lands in the vicinity thereof. In the event Assignor shall enter into any such pooling, unitization or other arrangement, Assignee's overriding royalty interest share shall be ascertained, computed and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

5. This Assignment of Overriding Royalty is made subject to the terms and conditions of the Farmout Agreement dated May 1, 1980, between Energy Associates N.W. '78 et al, as Farmor and MM&S Partners, et al as Farmees.

This instrument shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production of the Federal #42-11 Well and if executed by less than all of the Assignees, is still in full force and effect only as to those Assignees executing this Assignment.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By Donald L. Peterson

~~Joseph C. Menefee~~
~~Agent and Attorney In Fact~~
Donald L. Peterson, President

ENERGY ASSOCIATES N.W. '78-B

By _____

BURTON G. ROSS, TRUSTEE

By _____

SPACE RESOURCES, INC.

By _____

BACKER RESOURCES, INC.

By _____

ENERGETICS 1978B LIMITED PARTNERSHIP

By _____

ROBERT L. MEHL

By _____

PATRICK D. MAHER

By _____

JORDAN R. SMITH

By _____

D & R ENERGY PROGRAM 1978

By _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By _____

ENERGETICS 1978 LIMITED PARTNERSHIP

By _____

DAKEL COMPANY

By _____

ENERGETICS, INC., a Delaware corporation

By: _____

~~Joseph C. Mencin, Agent and Attorney-In-Fact~~

Jordan R. Smith, President

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GUARANTY CAPITAL INVESTORS, LTD.

By _____

ROCKY MOUNTAIN OILFINDERS, INC.

By _____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: JUNE 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this ___ day of _____, 1984, by Joseph C. Mencin, Agent and Attorney-in-Fact of ENERGETICS, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residence: _____

_____

Exhibit "A"

Attached to and made a part of the certain Assignment of Overriding Royalty by and between Energetics Operating Company and Energetics, Inc., a Delaware corporation, et al.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| ASSIGNOR | ASSIGNEE | Sublette County, Wyoming RECORDING INFORMATION DATE | BOOK | PAGE |
|---|---|---|---|---|
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

LETTER AGREEMENT

THIS AGREEMENT dated the 23 day of ~~August~~ September, 1987, by and between Flora A. Morgan, Attorney-In-Fact for Mary R. Morgan, widow and sole heir to the estate of J. Gordon Morgan, deceased, hereinafter referred to as "Seller" and K & J Investment Company, hereafter referred to as "Purchaser".

That in consideration of Three Hundred and No/100ths Dollars ($300.00), cash in hand, Morgan agrees to assign all right title and interest owned by the Estate of J. Gordon Morgan to Anderson in and to the following described interests:

218627

1) All right, title and interest in and to all overriding royalty interest (being 1%) in federal lease Ev-020357 covering the following described lands:

Township 28 North, Range 113 West, 6th P.M.
Section 6: Lots 8, 9, 10, 11, 12, 13, 14, 15, S½NE¼
Section 17: Lot 2, SE¼NW¼, N½NW¼
Containing 476.01 acres, Sublette County, Wyoming

2) All right, title and interest in and to an undivided 1.00% mineral interest in and to the following described lands:

Township 28 North, Range 113 West, 6th P.M.
Section 17: W½SW¼, SE¼SW¼, also described as Tract 39
Containing 120.00 acres, Sublette County, Wyoming

RECORDED Oct. 30 1987 10:45AM
IN BOOK 80 O:G PAGE 286
FEES 4.00 Mary J. Lubbers COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mary Riley

1987 OCT 13 AM 10
FILED FOR RECORD
SUBLETTE COUNTY
CLERK'S OFFICE, WYOMING

In the event Purchaser pursues the collection of royalties previously unpaid, and is successful in collecting back due royalties and interest on the above listed acreage, both parties herein agree to split all money collected of the basis of 75% to Purchaser and 25% to Seller.

Seller hereby agrees to warrant and defend title herein, and the provisions contained herein shall be binding unto both parties, and all heirs, assigns, representatives and successors in interest.

AGREED TO AND ACCEPTED THIS 23 DAY OF September, 1987.

K & J Investment Company
by: John R. Anderson, President

Flora A. Morgan, Attorney In Fact for Mary R. Morgan

ATTEST: Anne B. Colen

STATE OF COLORADO }
COUNTY OF Denver } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 23rd day of August September, 19 87, personally appeared Flora A. Morgan, Attorney-In-Fact for Mary R. Morgan, a widow and sole heir to the Estate of J. Gordon Morgan, deceased and _____, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires My Commission Expires August 9, 1988
550 Petroleum Bldg.
Denver, Colorado 80202

Nancy Jo Arnold
Notary Public.

ACKNOWLEDGMENT (For use by Corporation)

State of _____ }
County of _____ } ss.

On this _____ day of _____, A. D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A. D. 19____.

(SEAL)

_____
Notary Public.

286

287

WY-371 13249

Form 3126-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-48191

Lease effective date
December 1, 1974

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

ITR Petroleum, Inc.

Address *(include zip code)*
1300 Main Street, Suite 512
Houston, Texas 77002

RECORD IN COUNTY ONLY

The undersigned, as owner of 4.402049 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

218634

RECORDED Nov. 2 1987 8:25AM
IN BOOK 80 of G PAGE 287
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: mae Riley

Township 27 North, Range 110 West, 6th P.M.
Section 12: W/2NE/4, NW/4, N/2SW/4, SE/4SW/4, SE/4

Containing 520.00 acres, more or less
Sublette County, Wyoming

From the surface of the Earth down to 100 feet below the stratigraphic equivalent of 14,405 feet as encountered in the Federal 20-8 well located in the SW/4NE/4 of Section 8, Township 27 North, Range 110 West, Sublette County, Wyoming.

Subject to that certain Farmout Agreement dated March 19, 1980, as amended, by and between Energetics, Inc. (now Energetics Operating Company) and Northern Natural Gas Company (now Internorth, Inc.).

THIS ASSIGNMENT is made and shall in all respects be subject to those provisions on the attached Rider.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee (46.7% of 9.42623%) | 4.402049% |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 6.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 21st day of October, 1987, but effective June 1, 1987.
ENERGETICS, INC., a Delaware corporation

1982

(Assignor's Signature)
Jordan R. Smith, President

102 Inverness Terrace East
(Assignor's Address)

Englewood, Colorado 80112
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

[redacted] [redacted] (Title) [redacted] (Date)

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 12th day of October, 1987.

GENERAL ATLANTIC ENERGY CORPORATION (Formerly ITR PETROLEUM, INC.)

By: _____
(Assignee's Signature)

SAM D. WINEGRAD
Vice-President - Land

~~1300 Main Street, Suite 512~~
(Assignee's Address)
410 17th Street, Suite 1400
Denver, Colorado 80202
~~Houston, Texas 77002~~
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECT IVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

GPO 8

RIDER

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 20, 1985.

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

State of .....
County of ..... } ss.

ACKNOWLEDGMENT (For use by Corporation)

On this.....day of....., A. D. 19....., before me personally appeared....., to me personally known, who, being by me duly sworn, did say that he is the.....of.....

.....and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said

.....acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this.....day of....., A. D. 19.....

[redacted]

[redacted]

[redacted] Public.

Form 3106-14 [redacted]
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FO[redacted]ROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-62967

Lease effective date
March 1, 1974

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

ITR Petroleum, Inc.

Address *(include zip code)*
1300 Main Street, Suite 512
Houston, Texas 77002

RECORD IN COUNTY ONLY

The undersigned, as owner of * percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

218635

Township 27 North, Range 110 West, 6th P.M.

Section 8: NE/4 TRACT I: * 8.804145%

Section 8: S/2, NW/4 TRACT II: * 6.603074%

RECORDED Nov. 2 1987 8:30 A.M
IN BOOK 80 O&G PAGE 290
FEES 8.00 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By Kitty

Containing 640 acres, more or less
Sublette County, Wyoming

From the surface to the stratigraphic equivalent of 14,405 feet as encountered in the Federal 20-8 well, located in the SW/4NE/4 of said Section 8.

This Assignment is subject to that certain Farmout Agreement dated March 19, 1980, as amended, between Northern Natural Gas Company and Energetics, Inc., and that certain Farmout Agreement dated October 10, 1980, between Gulf Oil Corporation and Energetics, Inc.

This Assignment is made and shall in all respects be subject to those provisions on the attached Rider.

| | TRACT I | TRACT II |
|---|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 8.804145% | 6.603074% |
| 4. Specify interest or percent of operating rights being retained by assignor | None | None |
| 5. Specify overriding royalty interest being reserved by assignor | None | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 11.625% | 9.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of October, 19 87, but effective June 1, 1985.
ENERGETICS, INC., a Delaware corporation

(Assignor's Signature)
Jordan R. Smith, President

102 Inverness Terrace East
(Assignor's Address)

Englewood, Colorado 80112
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

290 (Title) (Date)

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 12th day of October, 1987.

GENERAL ATLANTIC ENERGY CORPORATION (Formerly ITR PETROLEUM, INC.)

By: _____
(Assignee's Signature)

SAM D. WINEGRAD
Vice-President - Land

~~1300 Main Street, Suite 512~~
(Assignee's Address)
410 17th Street, Suite 1400
Denver, Colorado 80202
~~Houston, Texas 77002~~
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

## INSTRUCTIONS

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2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

RIDER

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 20, 1985.

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF CO

Tom G. Griffith
Notary Public
678 East 4th Ave. #4
Denver, CO 80202

---

State of .....
County of ..... } ss.

ACKNOWLEDGMENT (For use by Corporation)

On this.....day of....., A. D. 19....., before me personally appeared ....., to me personally known, who, being by me duly sworn, did say that he is the.....of..... .....and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said .....acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this.....day of....., A. D. 19.....

.....
Notary Public.

(SEAL)

# ASSIGNMENT OF OVERRIDING ROYALTY AFFECTING OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENT, that L R Company (as successor by merger with Dart, Inc.), Casper, Wyoming, Assignor, for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash paid in hand, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, expressed or implied, ALL of its right, title and interest in and to its overriding royalty on all of the oil, gas and other hydrocarbons substances that may be produced, saved and marketed, and its right of reassignment to the oil and gas leases to H. M. Klaenhammer, 1335 South Wolcott, Casper, WY 82601 Assignee, on the following described lands situated in Sublette County, Wyoming, under the following oil and gas leases and any extension or renewal thereof, to-wit:

W-12573A, T37N-R114W, 6th PM, Sec 21: E 1/2, 320 ac m/l

W-12574, T37N-R114W, 6th PM, Sec 22: E 1/2 SE 1/4,
Sec 27: N 1/2, 400 ac m/l

W-12574A, T37N-R114W, 6th PM, Sec 22: E 1/2 NW 1/4,
W 1/2 SE 1/4, 160 ac m/l

W-15349, T37N-R114W, 6th PM, Sec 34: SW 1/4 SW 1/4, 40 ac m/l

Containing a total of 920 acres, more or less.

WITNESS our hands this 27th day of October, 1987.

ATTEST:

Sonna J. Jones
Assistant Secretary

L R COMPANY

John S Runge
President

218644

RECORDED Nov. 2 19 87 10:10 A M
IN BOOK 80 o&G PAGE 293
FEES $4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

STATE OF WYOMING
COUNTY OF NATRONA

On this 27th day of October, 1987, before me personally appeared John S. Runge to me personally known, who, being by me duly sworn, did say that he is the President of L R Company and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said John S. Runge acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 27th day of October, 1987.

Julia Kish
Notary Public

JULIA KISH - Notary Public
County of Natrona
State of Wyoming
My Commission Expires Sept. 10, 1989

WHEN RECORDED RETURN TO:

H.M. KLAENHAMMER,
1335 SOUTH WOLCOTT ST.,
CASPER, WYOMING 82601

## ASSIGNMENT OF OIL AND GAS LEASE

WHEREAS, on 5/21/81 GRANT BECK, then a single man and now married to ABIGAIL BECK, herein after referred to as Becks, did execute a certain Oil and Gas Lease to Gulf Oil Corporation. Said Oil and Gas Lease being recorded 8/31/81 at Book 62 of Oil and Gas, page 334, in the office of the County Clerk, Sublette County, Wyoming; and,

WHEREAS, a copy of said lease is attached hereto as Exhibit "A"; and,

WHEREAS, in consideration of the payment of a certain sum of money, the receipt and sufficiency of which is hereby acknowledged, Becks now wish to assign and convey unto a certain third party all of their rights in said Oil and Gas Lease that pertain to the minerals appurtenant to the real property described as:

Township 33 North, Range 109 West of the 6th P.M., Sublette County, Wyoming;

Section 13: E½SW¼, W½SE¼;

NOW THEREFORE IN CONSIDERATION OF THE PAYMENT OF A CERTAIN SUM OF MONEY, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED:

GRANT BECK and ABIGAIL BECK, husband and wife, herein after referred to as Becks, do hereby assign, convey and transfer unto WILLIAM R. FENN and DANA FENN, husband and wife, as tenants of an estate by the entireties with full right of survivorship and not as tenants in common, all of the right, title and interest that Becks have or own in that certain Oil and Gas Lease, a copy of which is attached hereto as Exhibit "A", which is recorded at Book 62 of Oil and Gas, page 334, in the office of the County Clerk, Sublette County, Wyoming as the same pertains and covers the real property described as:

Township 33 North, Range 109 West of the 6th P.M., Sublette County, Wyoming;

Section 13: E½SW¼, W½SE¼;

This Assignment includes the right to receive all future payments due under said lease but does not include the proration of any payments already made.

This Assignment only concerns the above described real property and in no way effects Becks' right or interest in said lease as it concerns other real property not described herein. This Assignment is subject to all conditions and terms contained in the original Oil and Gas Lease described herein.

DATED this 7th day of October, 1987

218649

RECORDED November 2 19 87 3:05 P M
IN BOOK 64 OG 80 PAGE 294
FEES $ 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
by Bethany A. Walker

Grant Beck
GRANT BECK

Abigail Beck
ABIGAIL BECK

STATE OF WYOMING )
) ss.
COUNTY OF SUBLETTE )

The foregoing **Assignment of Oil and Gas Lease** was acknowledged before me by GRANT BECK and ABIGAIL BECK this 7th day of October,

1987.

WITNESS my hand and official seal.

Susan J. Rodgers
County of
Sublette
My Commission expires
Dec. 12, 1990

Notary Public
State of
Wyoming

Susan J. Rodgers
NOTARY PUBLIC

My commission Expires:

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Robert H. Wright, Jr., grandson of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 6228 Ballsford Drive, Fairfax Station, Virginia 22039, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses from which Assignor interest is free next; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 20th day of October, 1987.

RECORDED Nov. 3 19 87 10:44 AM
IN BOOK 80 O&G PAGE 296
FEES $4.25 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

Robert H. Wright, Jr., residuary legatee under the Will of Earl Wright, Deceased

218660

DISTRICT OF WASH )(
)(
CITY OF WASH. )(

This instrument was acknowledged before me this 20th day of October, 1987, by Robert H. Wright, Jr.

My Commission Expires:
1-31-89

Notary Public, DISTRICT OF COL

CLAUDETTE V. TOPPIN
Printed Name of Notary Public

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Alta M. Cook, better known as Mae W. Cook, daughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 650 South Rancho Santa Fe Road, Space #96, San Marcos, California 92069, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 2nd day of November, 1987.

Mae W. Cook

Mae W. Cook, residuary legatee under the Will of Earl Wright, Deceased

218687

RECORDED Nov. 3 1987 10:10 A.M.
IN BOOK 80 O+G PAGE 297
FEES $4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Jeanne Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF SAN DIEGO )(

This instrument was acknowledged before me this 2nd day of November, 1987, by Mae W. Cook.

My Commission Expires:

May 1, 1990

Notary Public, State of California

Jacqueline A. Prentice

Printed Name of Notary Public

OFFICIAL SEAL
JACQUELINE A. PRENTICE
Notary Public-California
SAN DIEGO COUNTY
My Comm. Exp. May 1, 1990

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, John H. Wright, Jr., grandson of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 4013 Calle San Antonio, Palm Springs, California 92264, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 28 day of SEPTEMBER, 1987.

John H. Wright, Jr., residuary legatee under the Will of Earl Wright, Deceased

218662

RECORDED Nov. 3 IN 1987 10:10 AM
IN BOOK 80 O&G PAGE 298
FEES $4.25 May 2 Ind COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mona Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF RIVERSIDE )(

This instrument was acknowledged before me this 28th day of SEPTEMBER, 1987, by John H. Wright, Jr.

Notary Public, State of California

My Commission Expires:
OCTOBER 8, 1990

VERONICA MURRAY
Printed Name of Notary Public

OFFICIAL SEAL
VERONICA MURRAY
Notary Public-California
RIVERSIDE COUNTY
My Comm. Exp. Oct. 8, 1990

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Beverly Caranci, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 4013 Calle San Antonio, Palm Springs, California 92264, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 3rd day of September, 1987.

Beverly Caranci, residuary
legatee under the Will of
Earl Wright, Deceased

216663

RECORDED Nov. 3 1987 10:00 AM
IN BOOK 80 Q&G PAGE 299
FEES $4.25 Mary L. Ford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

STATE OF CALIFORNIA )(
)(
COUNTY OF RIVERSIDE )(

This instrument was acknowledged before me this 28th day of SEPTEMBER, 1987, by Beverly Caranci.

Notary Public, State of California

My Commission Expires:
OCTOBER 8, 1990

VERONICA MURRAY
Printed Name of Notary Public

OFFICIAL SEAL
VERONICA MURRAY
Notary Public-California
RIVERSIDE COUNTY
My Comm. Exp. Oct 8, 1990

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Daniel A. Cook, grandson of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 18852 Lenny Street, Salinas, California 93906, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 29th day of September, 1987.

Daniel A. Cook

Daniel A. Cook, residuary legatee under the Will of Earl Wright, Deceased

218664

RECORDED Nov. 5 1987 10:10 A M
IN BOOK 80 O.S. PAGE 300
FEES $ 4.25 M.Ly L.L. Ford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Nancy Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF MONTEREY )(

This instrument was acknowledged before me this 29th day of September, 1987, by Daniel A. Cook.

Bibiana Gallardo
Notary Public, State of California

My Commission Expires:
September 14, 1990

Bibiana Gallardo
Printed Name of Notary Public

OFFICIAL SEAL
BIBIANA GALLARDO
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY
My Comm. Expires Sept. 14, 1990

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Nancy Garcia, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 307 Oceanview, Encinitas, California 92024, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 19th day of October, 1987.

Nancy Garcia
Nancy Garcia, residuary legatee under the Will of Earl Wright, Deceased

218665

RECORDED Nov. 3 1987 10:10 A M
IN BOOK 80 of G PAGE 301
FEES $4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Mary Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF SAN DIEGO )(

This instrument was acknowledged before me this 19th day of October, 1987, by Nancy Garcia.

Linda T. McKinney
Notary Public, State of California

My Commission Expires:
April 23, 1989

Linda T. McKinney
Printed Name of Notary Public

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Patricia Ann Cook, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 650 South Rancho Santa Fe Road, Space #96, San Marcos, California 92069, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 28th day of September, 1987.

Patricia Ann Cook
Patricia Ann Cook, residuary legatee under the Will of Earl Wright, Deceased

216805

RECORDED Nov. 3 19 87 10:10 A M
IN BOOK 80 016 PAGE 302
FEES $4.25 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF SAN DIEGO )(

This instrument was acknowledged before me this 5th day of September, 1987, by Patricia Ann Cook.

Jacqueline A Prentice
Notary Public, State of California

My Commission Expires:
5-1-90

JACQUELINE A PRENTICE
Printed Name of Notary Public

OFFICIAL SEAL
JACQUELINE A. PRENTICE
Notary Public-California
SAN DIEGO COUNTY
My Comm. Exp. May 1, 1990

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Barbara Lynn Walker, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 1856 North 1200 East, North Logan, Utah 84321, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 2nd day of October, 1987.

Barbara Lynn Walker
Barbara Lynn Walker, residuary legatee under the Will of Earl Wright, Deceased

218667

RECORDED Nov. 3 1987 10:10 A.M.
IN BOOK 80 O&G PAGE 303
FEES $ 4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

STATE OF UTAH )(
)(
COUNTY OF CACHE )(

This instrument was acknowledged before me this 2nd day of October, 1987, by Barbara Lynn Walker.

Mary K. Gashler
Notary Public, State of Utah

My Commission Expires:
7-8-91

Mary K. Gashler
Printed Name of Notary Public

MARY K. GASHLER NOTARY PUBLIC STATE OF UTAH

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, William E. Wright, grandson of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 31-020 Avenida Ximino, Cathedral City, California 92234, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 9 day of OCTOBER, 1987.

William E. Wright, residuary legatee under the Will of Earl Wright, Deceased

RECORDED Nov. 3 19 87 10:10 AM
IN BOOK 80 O & G PAGE 304
FEES $4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mae Riley

218668

STATE OF CALIFORNIA )(
)(
COUNTY OF RIVERSIDE )(

OFFICIAL SEAL
LEEANN M. BABROWSKI
Notary Public-California
RIVERSIDE COUNTY
My Comm. Exp. Jan. 2, 1990

This instrument was acknowledged before me this 9th day of October, 1987, by William E. Wright.

My Commission Expires:

January 2, 1990

Notary Public, State of California

LeeAnn M. Babrowski
Printed Name of Notary Public

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Mary Arnold, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 1060 Hygeia Avenue, Leucadia, California 92024, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 7 day of October, 1987.

Mary Arnold
Mary Arnold, residuary legatee under the Will of Earl Wright, Deceased

216669

RECORDED Nov. 3 1987 10:10 A.M.
IN BOOK 80 O&G PAGE 305
FEES $4.25 Mary L. Ellis COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF SAN DIEGO )(

This instrument was acknowledged before me this 7th day of October, 1987, by Mary Arnold.

Jana G. Grant
Notary Public, State of California

My Commission Expires:
September 30, 1989

JANA G. GRANT
Printed Name of Notary Public

OFFICIAL SEAL
JANA G. GRANT
NOTARY PUBLIC - CALIFORNIA
SAN DIEGO COUNTY
My Comm. Expires Sept. 30, 1989

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Carl E. Cook, grandson of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 650 South Rancho Santa Fe Road, Space #96, San Marcos, California 92069, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 8th day of October, 1987.

Carl E. Cook

Carl E. Cook, residuary legatee under the Will of Earl Wright, Deceased

218670

RECORDED Nov. 3 1987 10:10 A.M.
IN BOOK 80 O & G PAGE 306
FEES $ 4.25 Mary L. Landy J. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

STATE OF CALIFORNIA )(
)(
COUNTY OF SAN DIEGO )(

This instrument was acknowledged before me this 8th day of October, 1987, by Carl E. Cook.

Jana G. Grant
Notary Public, State of California

My Commission Expires:
9/30/89

Jana G. Grant
Printed Name of Notary Public

OFFICIAL SEAL
JANA G. GRANT
NOTARY PUBLIC - CALIFORNIA
SAN DIEGO COUNTY
My Comm. Expires Sept. 30, 1989

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, LuVina Sayous, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 3500 Haas Drive, Aptos, California 95003, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 5 day of October, 1987.

LuVina Sayous, residuary legatee under the Will of Earl Wright, Deceased

LuVina Sayous, residuary legatee under the Will of Earl Wright, Deceased

RECORDED Nov. 3 1987 10:10 AM
IN BOOK 80 O & G PAGE 307
FEES $4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mae Riley

218671

STATE OF CALIFORNIA )(
)(
COUNTY OF SANTA CRUZ )(

CHERYL L. COLEMAN
NOTARY PUBLIC — CALIFORNIA
SANTA CRUZ COUNTY

This instrument was acknowledged before me this 5th day of October, 1987, by LuVina Sayous.

Cheryl L. Coleman
Notary Public, State of California

My Commission Expires:
Feb. 12, 1991

CHERYL L. COLEMAN
Printed Name of Notary Public

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Judith A. Christensen, granddaughter of Earl Wright, Deceased, and residuary legatee under the Will of Earl Wright, Deceased, of 6228 Ballsford Drive, Fairfax Station, Virginia 22039, as Assignor, does hereby assign, transfer, sell and convey unto Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, and Buckhorn Energy & Land, P.O. Box 11145, Midland, Texas 79702, equally, their heirs, successors and assigns, as Assignees, an overriding royalty interest equal to an undivided 1/2 (One-Half) of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described lands, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West, of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expenses; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 20 day of

November, 1987.

Judith A. Christensen, residuary
legatee under the Will of
Earl Wright, Deceased

218672

RECORDED Nov. 3 1987 10:10 A.M.
IN BOOK 80 O&G PAGE 308
FEES $ 4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

STATE OF VIRGINIA )(
)(
COUNTY OF FAIRFAX )(

This instrument was acknowledged before me this 20 day of

OCTOBER, 1987, by Judith A. Christensen.

My Commission Expires:

3-10-90

Notary Public, State of Virginia

DAVID JONES
Printed Name of Notary Public

DAVID JONES NOTARY PUBLIC COMMONWEALTH OF VIRGINIA

309

RECORDED Nov. 5 1987 10:00 AM
IN BOOK 80 O&G PAGE 309
FEES $ 19.50 Mary C. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: marie Riley

Federal 42-11
WY-307

218792

# ASSIGNMENT OF OVERRIDING ROYALTY TO MULTIPLE ASSIGNEES

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Ave., Ste 133, Englewood, Co 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter collectively referred to as "ASSIGNEE") as set out beside their respective names, an undivided overriding royalty interest free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom. Said overriding royalty interest shall be a total of 6.25% of 8/8ths of all revenue payable from the production of all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed from the oil and gas leases described in Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover those lands situated in Sublette County, Wyoming.

| | |
|---|---|
| * Energetics Inc., a Delaware corp.<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.0500000% |
| Energy Associates N.W. '78-B<br>1215 Norton Building<br>801 - 2nd Avenue<br>Seattle, Washington 98104 | .0937500% |
| Burton G. Ross, Trustee<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .0375000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | .257813% |
| Backer Resources, Inc.<br>P.O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C., Canada V7Y 1G5 | 1.5000000% |
| Energetics 1978B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .3125000% |

* SEE RIDER ATTACHED.

| | |
|---|---|
| **Robert L. Mehl**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | .3318620% |
| **Patrick D. Maher**<br>13275 E. Fremont Place, Suite 203<br>**Englewood, Colorado 80112** | .3318620% |
| **Jordan R. Smith**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | .1807000% |
| **D & R Energy Program 1978**<br>430 International Centre<br>900 Second Avenue South<br>**Minneapolis, Minnesota 55416** | .3140630% |
| **Boettcher Management 1978 Drilling Program**<br>**828 - 17th Street**<br>**Denver, Colorado 80201** | .4687500% |
| **Energetics 1978 Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .8687500% |
| **Dakel Company**<br>P.O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .0597050% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P.O. Box 31515<br>Billings, Montana 59107-1515 | .4184200% |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .0243250% |

TO HAVE AND TO HOLD the interest transferred and assigned unto Assignee, its heirs, devisees, personal representatives, successors and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. Assignor reserves the right, without consent of Assignee, to pool, unitize or otherwise combine all or any portion of said leases and the overriding royalty interest herein conveyed, with any other leases covering other lands in the vicinity thereof. In the event Assignor shall enter into any such pooling, unitization or other arrangement, Assignee's overriding royalty interest share shall be ascertained, computed and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

5. This Assignment of Overriding Royalty is made subject to the terms and conditions of the Farmout Agreement dated May 1, 1980, between Energy Associates N.W. '78 et al, as Farmor and MM&S Partners, et al as Farmees.

This instrument shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production of the Federal #42-11 Well and if executed by less than all of the Assignees, is still in full force and effect only as to those Assignees executing this Assignment.

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By Donald L. Peterson

~~Joseph C. Menein~~
~~Agent and Attorney In Fact~~
Donald L. Peterson, President

ENERGY ASSOCIATES N.W. '78-B

By _____

BURTON G. ROSS, TRUSTEE

By _____

SPACE RESOURCES, INC.

By _____

BACKER RESOURCES, INC.

By _____

ATTEST:

JANET L. OTTERSTROM
Assistant Secretary

ENERGETICS 1978B LIMITED PARTNERSHIP

By _____
DONALD D. WOLF, President

ROBERT L. MEHL

By _____

PATRICK D. MAHER

By _____

JORDAN R. SMITH

By _____

D & R ENERGY PROGRAM 1978

By _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By _____

ATTEST:

JANET L. OTTERSTROM
Assistant Secretary

ENERGETICS 1978 LIMITED PARTNERSHIP

By _____
DONALD D. WOLF, President

DAKEL COMPANY

By _____

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin, Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS, LTD.

By _____

ROCKY MOUNTAIN OILFINDERS, INC.

By _____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this ____ day of _____, 1984, by Joseph C. Mencin, Agent and Attorney-in-Fact of ENERGETICS, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residence: _____

_____

## Exhibit "A"

Attached to and made a part of the certain Assignment of Overriding Royalty by and between Energetics Operating Company and Energetics, Inc., a Delaware corporation, et al.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| ASSIGNOR | ASSIGNEE | Sublette County, Wyoming RECORDING INFORMATION DATE | BOOK | PAGE |
|---|---|---|---|---|
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

[redacted] [redacted]

WY-307, [redacted] ield
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. This Assignment is made without representation or warranty of title, either express or implied.

4. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

5. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

218703

RECORDED Nov. 5 19 87 10:00 AM
IN BOOK 80 O & G PAGE 316
FEES $ 17.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of May 1, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson
~~Joseph C. Menefin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____

By:_____

ENERGY ASSOCIATES N.W. 1978-A

By:_____

ATTEST:

By: Janet E. Otterstrom
JANET E. OTTERSTROM
Assistant Secretary

ENERGETIC 1978 LIMITED PARTNERSHIP, BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: Donald D. Wolf
DONALD D. WOLF, President

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

BACKER RESOURCES, INC.

By:_____

By:_____

BOETTCHER MANAGEMENT 1978 DRILLING
PROGRAM

By:_____

ATTEST:

By:_____

ATTEST:

By: Janet L. Otterstrom
JANET L. OTTERSTROM
Assistant Secretary

SPACE RESOURCES, INC.

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: Donald D. Wolf
DONALD D. WOLF, President

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ATTEST:

By:_____

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Tom G. Griffith Notary Public

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MAY 1, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| Energy Associates N. W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | 1.5000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 13.9000% |
| Boettcher Management 1978 Drilling Program<br>828-17th street<br>P. O. Box 54<br>Denver, Colorado 80202 | 7.5000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 5.0250% |
| Burton G. Ross, Trustee for the Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .6000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 4.1250% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 24.0000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.0000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 5.3098% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 5.3098% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.8912% |
| * Energetics, Inc. a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 16.8000% |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive #3112<br>Englewood, Colorado 80111-5112 | .3892% |
| Guaranty Capital Investors Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 6.6947% |
| Dakel Company<br>P.O. Box 2187, Loop Station<br>Mi[redacted]is, Minnesota 55402 | .9553% |

# EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective May 1, 1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4, NE¼<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the base of the Almy formation down to all depths. | Not Available |

320

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

WY-307, Russ Field
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, 7951 E. Maplewood Ave., #133, Englewood, Colorado 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests of record as of the date of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, including an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of recrod as of the date of execution of this Assignment, and that overriding royalty interest created by Assignment Number 2., listed on Exhibit "C" to this Assignment, whether or not said Assignment Number 2. is of record as of the date of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

218704

RECORDED Nov. 5 19 87 M
IN BOOK 80 O&G PAGE 322
FEES $ 17.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mona Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production from the Federal 42-11 Well, located in Township 27 North, Range 111 West, Section 11, NE/4, Sublette County, Wyoming, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ATTEST:

Suzanne K. Karlutkiewicz
Suzanne K. Karlutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson
~~Joseph C. Menein~~
~~Agent and Attorney in Fact~~
Donald L. Peterson, President

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By:_____

J. E. BRAAS

_____

KENT R. ELLISON

_____

DOUGLAS H. SMITH

_____

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ENERGETICS 1979 YEAR-END LIMITED
PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

ATTEST:

By: _____
JANET L. OTTERSTROM
Assistant Secretary

By: _____
DONALD D. WOLF, President

D&R ENERGY PROGRAM 1979 YEAR-END

By:_____

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this day of _____, 198 , Energetics, Inc., a Delaware corporation, on behalf of such corporation.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at: _____
_____

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 198 , by , President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at: _____
_____

# EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, dated effective as of first production of the Federal 41-11, by and between Energetics Operating Company, Assignor, and Energetics, Inc., Assignee.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| *Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 26.05000% |
| Guaranty Capital Investors Limited<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 26.42535% |
| J. E. Braas<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .21549% |
| Kent R. Ellison<br>711 Vandalia Street<br>St. Paul, Minnesota 55114 | .21549% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55114 | .14367% |
| Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 29.70000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 17.25000% |

*SEE RIDER

EXHIBIT "B"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective the date of first production of the Federal 42-11 well, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

326

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated 1st production Fed 42-11 by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

2. Assignment of Overriding Royalty to Multiple Assignees, dated effective as of the date of first production of the Federal 42-11 well, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee, which conveys 6.25% overriding royalty interest in, to and under Federal Lease No. W-66390, insofar as said lease covers T27N-R111W, Section 11: NE¼, Sublette County, Wyoming.

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

WY-307, Russ Field

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of April 30, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson

~~Joseph C. Menein~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLORADO

218705

RECORDED Nov 5 1987 10:00 AM
IN BOOK 80 O&G PAGE 329
FEES $ 24.75 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

By: Mary L.

ASSIGNEES

ENERGETICS 1979 YEAR-END LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: _____
DONALD D. WOLF, President

D&R ENERGY PROGRAM 1979 YEAR-END

By: _____

ENERGY ASSOCIATES N.W. 1978-A

By: _____

ENERGETICS 1978 LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: _____
DONALD D. WOLF, President

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By: _____

D&R ENERGY PROGRAM 1978

By: _____

TONI ROSEN TRUST 1978

By: _____
Burton G. Ross, Trustee

ATTEST:

SPACE RESOURCES, INC.

By: _____

By: _____

ATTEST:

BACKER RESOURCES, INC.

By: _____

By: _____

ATTEST: _____
JANET L. OTTERSTROM
Assistant Secretary

ATTEST: _____
JANET L. OTTERSTROM
Assistant Secretary

ATTEST:

JANET L. OTTERSTROM
Assistant Secretary

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: _____
DONALD D. WOLF, President

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin
Agent and Attorney-in-Fact

ATTEST:

By: _____

ROCKY MOUNTAIN OILFINDERS, INC.

By: _____

J. E. BRAAS

_____

KENT R. ELLISON

_____

DOUGLAS H. SMITH

_____

GUARANTY CAPITAL INVESTORS LIMITED

By: _____

ATTEST:

DAKEL COMPANY

By:_____

By:_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

COUNTY OF COLORADO )
)ss
STATE OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

COUNTY OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1978 Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, eff. April 30, 1984, between Energetics Operating Company and Energetics 1979 Year-End Limited Partnership, et al.

| | |
|---|---|
| * Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 17.82000000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 10.35000000% |
| Energy Associates N.W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | .60000000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.56000000% |
| Boettcher Management 1978 Drilling Program<br>828-17th Street<br>P. O. Box 54<br>Denver, Colorado 80202 | 3.00000000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 2.01000000% |
| Burton G. Ross, Trustee for the<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .24000000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 1.65000000% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 9.60000000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 2.00000000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.12392000% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 2.12392000% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.15648000% |

* SEE RIDER ATTACHED.

[redacted] [redacted] [redacted]

| | |
|---|---|
| * Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 22.35000000% * |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .15568000% |
| J. E. Brass<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .12929544% |
| Kent R. Ellison<br>711 Vanadlia Street<br>St. Paul, Minnesota 55114 | .12929544% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55429 | .08619696% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 18.53521216% |
| Dakel Company<br>P. O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .38000000% |

* SEE RIDER ATTACHED.

335

## EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective April 30,1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the baee of the Almy formation. | Not Available |

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective April 30, 1984, by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| ASSIGNOR | ASSIGNEE | Sublette County, Wyoming RECORDING INFORMATION DATE | BOOK | PAGE |
|---|---|---|---|---|
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

# ASSIGNMENT OF OVERRIDING ROYALTY AFFECTING

# UNITED STATES OIL AND GAS LEASE W-59776

# DISTRICT LAND OFFICE Cheyenne, Wyoming

KNOW ALL MEN BY THESE PRESENTS, That Dorothy Langley and W. J. Langley

....., Assignor (whether one or more) for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, overriding royalty unto the following parties in the amounts shown:

| NAME | ADDRESS | PER CENT |
|---|---|---|
| D & J Trust | 4544 Cathedral Drive<br>Dallas, Texas 75214 | 6¼ of 8/8ths |

Being in all a total of an undivided 6¼ of 8/8ths

.....overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the following described lands situated in Sublette County, State of Wyoming, under the above designated oil and gas lease and any extension or renewal thereof, to wit:

218715

T. 27 N., R 111 W., 6th P.M.

Section 20: NE¼SW¼

RECORDED Nov. 6 19 87 8:40 AM
IN BOOK 80 O&G PAGE 338
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

Containing 40.00 acres, more or less.

WITNESS our hands this 2nd day of November, 1987

Witnesses:

.....

.....

Dorothy Langley

W. J. Langley

STATE OF TEXAS
} ss.
COUNTY OF DALLAS

On the 2nd day of November, 19 87, before me personally appeared Dorothy Langley and W. J. Langley the signors of the above instrument, who duly acknowledged to me that they executed the same.

Notary Public, State of Texas

My commission expires:

June 7, 1988

Residing in Dallas County, Texas



OIL & GAS FORM NO. 8

maher-710

WY-307, Russ Field

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of April 30, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson

~~Joseph C. Menefin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS OPERATING CORPORATE SEAL COLORADO

218739

RECORDED Nov. 9 1987 9:40 A.M.
IN BOOK 80 O & G PAGE 339
FEES $24.75 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

ASSIGNEES

ATTEST:

By:_____

ENERGETICS 1979 YEAR-END LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

D&R ENERGY PROGRAM 1979 YEAR-END

By:_____

ENERGY ASSOCIATES N.W. 1978-A

By:_____

ATTEST:

By:_____

ENERGETICS 1978 LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

By:_____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By:_____

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

By:_____

SPACE RESOURCES, INC.

By:_____

ATTEST:

By:_____

BACKER RESOURCES, INC.

By:_____

ATTEST:

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

ATTEST:

By:_____

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

J. E. BRAAS

_____

KENT R. ELLISON

_____

DOUGLAS H. SMITH

_____

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____

By:_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

COUNTY OF COLORADO )
)ss
STATE OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____

_____

COUNTY OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1978 Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____

_____

STATE OF COLORADO )

COUNTY OF DOUGLAS )

The foregoing was acknowledged before me this 14th day of October, 1987, by Patrick D. Maher.

Witness my hand and official seal.

My commission expires: May 22, 1988

Norma K. Shettle, Notary Public
7535 So. Steele St.,Littleton, CO 80122

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, eff. April 30, 1984, between Energetics Operating Company and Energetics 1979 Year-End Limited Partnership, et al.

| | |
|---|---|
| * Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 17.82000000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 10.35000000% |
| Energy Associates N.W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | .60000000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.56000000% |
| Boettcher Management 1978 Drilling Program<br>828-17th Street<br>P. O. Box 54<br>Denver, Colorado 80202 | 3.00000000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 2.01000000% |
| Burton G. Ross, Trustee for the<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .24000000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 1.650000000% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 9.60000000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 2.00000000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.12392000% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 2.12392000% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.15648000% |

* SEE RIDER ATTACHED.

| | |
|---|---|
| * Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 22.35000000% * |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .15568000% |
| J. E. Brass<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .12929544% |
| Kent R. Ellison<br>711 Vanadlia Street<br>St. Paul, Minnesota 55114 | .12929544% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55429 | .08619696% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 18.53521216% |
| Dakel Company<br>P. O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .38000000% |

* SEE RIDER ATTACHED.

## EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective April 30,1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the baee of the Almy formation. | Not Available |

345

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective April 30, 1984, by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

Federal 42-11
WY-307

# ASSIGNMENT OF OVERRIDING ROYALTY TO MULTIPLE ASSIGNEES

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Ave., Ste 133, Englewood, Co 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter collectively referred to as "ASSIGNEE") as set out beside their respective names, an undivided overriding royalty interest free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom. Said overriding royalty interest shall be a total of 6.25% of 8/8ths of all revenue payable from the production of all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed from the oil and gas leases described in Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover those lands situated in Sublette County, Wyoming.

218740

RECORDED Nov. 9 IN 87 9:50 AM
IN BOOK 80 OF G PAGE 348
FEES $ 19.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Jane Riley

| | |
|---|---|
| * Energetics Inc., a Delaware corp.<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.0500000% |
| Energy Associates N.W. '78-B<br>1215 Norton Building<br>801 - 2nd Avenue<br>Seattle, Washington 98104 | .0937500% |
| Burton G. Ross, Trustee<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .0375000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | .257813% |
| Backer Resources, Inc.<br>P.O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C., Canada V7Y 1G5 | 1.5000000% |
| Energetics 1978B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .3125000% |

* SEE RIDER ATTACHED.

Robert L. Mehl .3318620%
102 Inverness Terrace East
Englewood, Colorado 80112

Patrick D. Maher .3318620%
13275 E. Fremont Place, Suite 203
Englewood, Colorado 80112

Jordan R. Smith .1807000%
102 Inverness Terrace East
Englewood, Colorado 80112

D & R Energy Program 1978 .3140630%
430 International Centre
900 Second Avenue South
Minneapolis, Minnesota 55416

Boettcher Management 1978 Drilling Program .4687500%
828 - 17th Street
Denver, Colorado 80201

Energetics 1978 Limited Partnership .8687500%
1300 Main Street, Suite 512
Houston, Texas 77002

Dakel Company .0597050%
P.O. Box 2187, Loop Station
Minneapolis, Minnesota 55402

Guaranty Capital Investors, Ltd. .4184200%
200 Transwestern II Building
P.O. Box 31515
Billings, Montana 59107-1515

Rocky Mountain Oilfinders, Inc. .0243250%
6060 S. Willow Drive, #3112
Englewood, Colorado 80111-5112

TO HAVE AND TO HOLD the interest transferred and assigned unto Assignee, its heirs, devisees, personal representatives, successors and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. Assignor reserves the right, without consent of Assignee, to pool, unitize or otherwise combine all or any portion of said leases and the overriding royalty interest herein conveyed, with any other leases covering other lands in the vicinity thereof. In the event Assignor shall enter into any such pooling, unitization or other arrangement, Assignee's overriding royalty interest share shall be ascertained, computed and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

5. This Assignment of Overriding Royalty is made subject to the terms and conditions of the Farmout Agreement dated May 1, 1980, between Energy Associates N.W. '78 et al, as Farmor and MM&S Partners, et al as Farmees.

This instrument shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production of the Federal #42-11 Well and if executed by less than all of the Assignees, is still in full force and effect only as to those Assignees executing this Assignment.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By ~~Joseph C. Menein~~
~~Agent and Attorney In Fact~~
Donald L. Peterson, President

ENERGY ASSOCIATES N.W. '78-B

By _____

BURTON G. ROSS, TRUSTEE

By _____

SPACE RESOURCES, INC.

By _____

BACKER RESOURCES, INC.

By _____

ENERGETICS 1978B LIMITED PARTNERSHIP

By _____

ROBERT L. MEHL

By _____

PATRICK D. MAHER

By Patrick D. Maher

JORDAN R. SMITH

By _____

D & R ENERGY PROGRAM 1978

By _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By _____

ENERGETICS 1978 LIMITED PARTNERSHIP

By _____

DAKEL COMPANY

By _____

ENERGETICS, INC., a Delaware corporation

By: _____

GUARANTY CAPITAL INVESTORS, LTD.

By _____

ROCKY MOUNTAIN OILFINDERS, INC.

By _____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this ____ day of _____, 1984, by Joseph C. Mencin, Agent and Attorney-in-Fact of ENERGETICS, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residence: _____

_____

STATE OF COLORADO )
) ss.
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 12th day of October, 1987, by Patrick D. Maher.

Witness my hand and official seal.

My commission expires: May 22, 1988

Norma K. Shettle, Notary Public
7535 South Steele Street
Littleton, Colorado 80122

Exhibit "A"

Attached to and made a part of the certain Assignment of Overriding Royalty by and between Energetics Operating Company and Energetics, Inc., a Delaware corporation, et al.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

WY-307, Russ Field
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. This Assignment is made without representation or warranty of title, either express or implied.

4. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

5. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

218741

RECORDED Nov. 9 IN 87 9:50 AM
IN BOOK 80 O&G PAGE 355
FEES $ 17.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of May 1, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz
Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson
~~Joseph C. Mencin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL

[redacted] -1- [redacted]

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin
Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS LIMITED

By: _____

ATTEST:

By: _____

DAKEL COMPANY

By: _____

ENERGY ASSOCIATES N.W. 1978-A

By: _____

ATTEST:

By: _____
Lou Switzer, Assistant Secretary

ENERGETIC 1978 LIMITED PARTNERSHIP, BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: _____
J. Thomas Reagan, President

D&R ENERGY PROGRAM 1978

By: _____

TONI ROSEN TRUST 1978

By: _____
Burton G. Ross, Trustee

ATTEST:

BACKER RESOURCES, INC.

By: _____

By: _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By: _____

ATTEST:

By:_____

ATTEST:

By:_____

SPACE RESOURCES, INC.

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

Patrick D. Maher

JORDAN R. SMITH

_____

ATTEST:

By:_____

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
Notary Public
678 East 4th Ave. #4
Denver, CO 80202

STATE OF COLORADO )
) SS.
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 12th day of October, 1987, by Patrick D. Maher.

Witness my hand and official seal.

My commission expires: May 22, 1988

[redacted]

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MAY 1, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| **Energy Associates N. W. 1978-A**<br>**Suite #1215 Norton Building**<br>**801-2nd Avenue**<br>**Seattle, Washington 98104** | **1.5000%** |
| **Energetics 1978 Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | **13.9000%** |
| **Boettcher Management 1978 Drilling Program**<br>**828-17th street**<br>**P. O. Box 54**<br>**Denver, Colorado 80202** | **7.5000%** |
| **D&R Energy Program 1978**<br>430 International Centre<br>900 Second Avenue South<br>**Minneapolis, Minnesota 55416** | **5.0250%** |
| **Burton G. Ross, Trustee for the Toni Rosen Trust 1978**<br>808 Nicollet Mall, Suite 500<br>**Minneapolis, Minnesota 55402** | **.6000%** |
| **Space Resources, Inc.**<br>**444 Lafayette Road**<br>**St. Paul, Minnesota 55101** | **4.1250%** |
| **Backer Resources, Inc.**<br>**P. O. Box 10354**<br>**1040-609 Granville Street**<br>**Vancouver, B.C. Canada V7Y 1G5** | **24.0000%** |
| **Energetics 1978-B Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | **5.0000%** |
| **Robert L. Mehl**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **5.3098%** |
| **Patrick D. Maher**<br>13275 E. Fremont Place, Suite 203<br>**Englewood, Colorado 80112** | **5.3098%** |
| **Jordan R. Smith**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **2.8912%** |
| * **Energetics, Inc. a Delaware corporation**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **16.8000%** |
| **Rocky Mountain Oilfinders, Inc.**<br>6060 S. Willow Drive #3112<br>**Englewood, Colorado 80111-5112** | **.3892%** |
| **Guaranty Capital Investors Ltd.**<br>**200 Transwestern II Building**<br>**P. O. Box 31515**<br>**Billings, Montana 59107-1515** | **6.6947%** |
| **Dakel Company**<br>P.O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | **.9553%** |

* SEE RIDER ATTACHED.

EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective May 1, 1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4, NE¼<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the base of the Almy formation down to all depths. | Not Available |

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RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS, INC., 102 Inverness Terrace East, Englewood, Colorado 80112 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto ENERGETICS OPERATING COMPANY, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 ("ASSIGNEE") the undivided interest set forth on Exhibit "A" in and to the Oil and Gas Leases described on Exhibit "A", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, and any amendments thereto, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

218742 2. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

RECORDED Nov. 9 19 87 10:15 AM
IN BOOK 80 of L. & P. PAGE 361
FEES $ 7.00 Mary A. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Mae Riley

3. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985.

4. This Assignment is made without representation or warranty of title, either express or implied.

[redacted] Wyoming

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "A".

IN WITNESS WHEREOF, this Assignment is effective for all purposes as of OCT 1 1987, [redacted]

(Seal)

ENERGETICS, INC.

By: _____
Jordan R. Smith, President

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

_____
Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated OCT 1 1987 from Energetics, Inc. to Energetics Operating Company.

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK PAGE | UNDIVIDED INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|
| 12630 WY-307 | USA W-53093 | Francis Clyde Null | 01-01-76 | Township 27 North, Range 111 West<br>Section 10: All<br>Limited in depth from the surface of the ground to the bse of the Almy Formation. | Not available | 53.3% of .13409999 |
| 13254 WY-371 | USA W-62967 | Shirley A. Potestio | 03-01-74 | Township 27 North, Range 110 West<br>Section 8: NE/4<br>Limited in depth from the surface to the stratigraphic equivalent of 14,405 feet as encountered in the Federal 20-8 Well located in the SW/4NE/4 of Section 8, T27N-R110W, 6th P.M. | Not available | 53.3% of .08804145 |

363

# ASSIGNMENT OF OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENERGETICS, INC., whose address is 102 Inverness Terrace East, Englewood, Colorado 80112, hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, transferred and conveyed, and by these presents does hereby bargain, sell, transfer and convey unto ITR PETROLEUM, INC. 1300 Main Street, Suite 512, Houston, Texas 77002, hereinafter referred to as "Assignee", Assignor's interest, set forth on Exhibit "A", attached hereto, in and to the oil, gas and mineral leases described therein, and the mineral leasehold estates created thereby, including the respective gross working interest, and net revenue interest, and overriding royalty interest, if any, in and to the well or wells drilled upon the leasehold estates, subject to the reservations, exceptions, limitations and conditions, if any, hereinafter set forth and subject to the terms and provisions hereinafter stated.

Reference is here made to the leases described on Exhibit "A", and any amendments thereto, of record in the office of the County Clerk for a more particular description of the acreage covered thereby and for the terms and provisions of said leases and any amendments.

And for the same consideration Assignor does hereby sell, assign, transfer and convey unto Assignee a like interest in and to all improvements now owned or hereafter acquired by Assignor and located on the lands and leases including all oil, gas and water wells now or hereafter located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said land and leases, whether the same be considered real, personal or mixed property, including, but not limited to, all casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, leaseholds, sheds and warehouses, all pipelines, right-of-way, franchises,

licenses, tenements and easements owned by Assignor as are pertinent to such leases or used or useful in the operation thereof.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, in accordance with the terms and provisions of said oil, gas and mineral leases, and any amendments thereto, and subject to the following reservations, exceptions, conditions and covenants, to wit:

1. Subject to any and all reservations of records relating to overriding royalty interest and/or net profits interest burdening the leases described on Exhibit "A", and any and all other agreements which would affect the title to the leases described on Exhibit "A", and reference is hereby made to the records in the offices of the County Clerk for all purposes.

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985, under the terms of which this assignment is made free and clear of all liens and obligations of Assignor except as otherwise provided in said Plan.

3. This assignment shall be effective from and after December 1, 1984, at 7:00 a.m.

This assignment is made without warranty expressed or implied.

218744

RECORDED Nov. 9 19 87 10:30 AM
IN BOOK 80 O&G PAGE 364
FEES $12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

[redacted] [redacted] Wyo. [redacted]

This signature page is attached to and made a part of that certain Assignment of Oil, Gas and Mineral Leases dated OCT 1 1987 by and between ENERGETICS, INC. and ITR PETROLEUM, INC.

---

EXECUTED this 1st day of October, 1987, but effective as of the date set forth above.

(Seal)

ENERGETICS, INC.

By: _____
Jordan R. Smith, President

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

_____
Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

Sublette County, W
EI-Mortgaged

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated OCT 1 1987 from Energetics, Inc. to ITR Petroleum [redacted], Inc.

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE | ASSIGNOR'S INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|---|
| 12445 WY-307 | USA W-65390 | Energetics, Inc. | 12-01-78 | Township 27 North, Range 111 West Section 11: NE/4 | 64 | 675 | .2605 Operating Rights .0105 of 8/8 ORRI |

367

TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED THAT EFFECTIVE AS OF AUGUST 1, 1987, THE ENTITY REPRESENTED IN THE ATTACHED DOCUMENT AS ITR PETROLEUM, INC. HAS, BY VIRTUE OF THE RESTATED ARTICLES OF INCORPORATION FILED WITH THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF DELAWARE ON JULY 31, 1987, CHANGED ITS NAME AND IS NOW OPERATING UNDER THE NAME OF GENERAL ATLANTIC ENERGY CORPORATION WITH CORPORATE HEADQUARTERS LOCATED AT:

410 17TH STREET, SUITE 1400

DENVER, COLORADO 80202

EOC-Mortgaged

# ASSIGNMENT OF OIL, GAS AND MINERAL LEASES

12

STATE OF WYOMING )
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENERGETICS OPERATING COMPANY, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, transferred and conveyed, and by these presents does hereby bargain, sell, transfer and convey unto ITR PETROLEUM, INC., 1300 Main Street, Suite 512, Houston, Texas 77002, hereinafter referred to as "Assignee", Assignor's interest, set forth on Exhibit "A", attached hereto, in and to the oil, gas and mineral leases described therein, and the mineral leasehold estates created thereby, including the respective gross working interest, and net revenue interest, and overriding royalty interest, if any, in and to the well or wells drilled upon the leasehold estates, subject to the reservations, exceptions, limitations and conditions, if any, hereinafter set forth and subject to the terms and provisions hereinafter stated.

Reference is here made to the leases described on Exhibit "A", and any amendments thereto, of record in the office of the County Clerk for a more particular description of the acreage covered thereby and for the terms and provisions of said leases and any amendments.

And for the same consideration Assignor does hereby sell, assign, transfer and convey unto Assignee a like interest in and to all improvements now owned or hereafter acquired by Assignor and located on the lands and leases including all oil, gas and water wells now or hereafter located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said land and leases, whether the same be considered real, personal or mixed property, including, but not limited to, all casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, leaseholds, sheds and warehouses, all pipelines, right-of-way, franchises,

[redacted] [redacted] [redacted]

licenses, tenements and easements owned by Assignor as are pertinent to such leases or used or useful in the operation thereof.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, in accordance with the terms and provisions of said oil, gas and mineral leases, and any amendments thereto, and subject to the following reservations, exceptions, conditions and covenants, to wit:

1. Subject to any and all reservations of records relating to overriding royalty interest and/or net profits interest burdening the leases described on Exhibit "A", and any and all other agreements which would affect the title to the leases described on Exhibit "A", and reference is hereby made to the records in the offices of the County Clerk for all purposes.

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985, under the terms of which this assignment is made free and clear of all liens and obligations of Assignor except as otherwise provided in said Plan.

3. This assignment shall be effective from and after December 1, 1984, at 7:00 a.m.

This assignment is made without warranty expressed or implied.

218745

RECORDED Nov. 9 1987 10:30 A.M.
IN BOOK 80 O&G PAGE 369
FEES $ 12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

Wyoming

This signature page is attached to and made a part of that certain Assignment of Oil, Gas and Mineral Leases dated OCT 1 1987 by and between ENERGETICS OPERATING COMPANY and ITR PETROLEUM, INC.

---

EXECUTED this 1st day of October, 1987, but effective as of the date set forth above.

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson

Donald L. Peterson, President and Chief Executive Officer

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLO

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF CO

Tom G. Griffith

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Sublette County, WY
EOC-Mortgaged

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated OCT 1 1987 from Energetics Operating Company to ITR Petroleum, Inc.

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE | ASSIGNOR'S INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|---|
| 12740<br>WY-293 | USA W-54137 | Melvin Meester | 04-01-76 | Township 27 North, Range 111 West<br>Section 17: SE/4 | 64 | 328 | Before the "Event"*<br>.00075 of 8/8<br>Overriding Royalty Interest<br><br>After the "Event"*<br>.00175 of 8/8<br>Overriding Royalty Interest |
| 11221<br>WY-322 | USA W-62791 | Robert W. Meyers | 05-01-78 | Township 28 North, Range 111 West<br>Section 31: Lots 1, 2, E/2NW/4 | 65 | 556 | Before the "Event"*<br>.0039 of 8/8<br>Overriding Royalty Interest<br><br>After the "Event"*<br>.0091 of 8/8<br>Overriding Royalty Interest |

* The "Event" is defined in that Acquisition Agreement dated July 1, 1982, by and between American Gas & Oil Investors and Energetics, Inc. (now Energetics Operating Company).

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TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED THAT EFFECTIVE AS OF AUGUST 1, 1987, THE ENTITY REPRESENTED IN THE ATTACHED DOCUMENT AS ITR PETROLEUM, INC. HAS, BY VIRTUE OF THE RESTATED ARTICLES OF INCORPORATION FILED WITH THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF DELAWARE ON JULY 31, 1987, CHANGED ITS NAME AND IS NOW OPERATING UNDER THE NAME OF GENERAL ATLANTIC ENERGY CORPORATION WITH CORPORATE HEADQUARTERS LOCATED AT:

410 17TH STREET, SUITE 1400

DENVER, COLORADO 80202

[redacted] [redacted] EI-[redacted]gaged

## ASSIGNMENT OF OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENERGETICS, INC., whose address is 102 Inverness Terrace East, Englewood, Colorado 80112, hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, transferred and conveyed, and by these presents does hereby bargain, sell, transfer and convey unto ITR PETROLEUM, INC. 1300 Main Street, Suite 512, Houston, Texas 77002, hereinafter referred to as "Assignee", 46.7% of Assignor's interest, set forth on Exhibit "A", attached hereto, in and to the oil, gas and mineral leases described therein, and the mineral leasehold estates created thereby, including the respective gross working interest, and net revenue interest, and overriding royalty interest, if any, in and to the well or wells drilled upon the leasehold estates, subject to the reservations, exceptions, limitations and conditions, if any, hereinafter set forth and subject to the terms and provisions hereinafter stated.

Reference is here made to the leases described on Exhibit "A", and any amendments thereto, of record in the office of the County Clerk for a more particular description of the acreage covered thereby and for the terms and provisions of said leases and any amendments.

And for the same consideration Assignor does hereby sell, assign, transfer and convey unto Assignee a like 46.7% interest in and to all improvements now owned or hereafter acquired by Assignor and located on the lands and leases including all oil, gas and water wells now or hereafter located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said land and leases, whether the same be considered real, personal or mixed property, including, but not limited to, all casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, leaseholds, sheds and warehouses, all pipelines, rights-of-way, franchises,

licenses, tenements and easements owned by Assignor as are pertinent to such leases or used or useful in the operation thereof.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, in accordance with the terms and provisions of said oil, gas and mineral leases, and any amendments thereto, and subject to the following reservations, exceptions, conditions and covenants, to wit:

1. Subject to any and all reservations of records relating to overriding royalty interest and/or net profits interest burdening the leases described on Exhibit "A", and any and all other agreements which would affect the title to the leases described on Exhibit "A", and reference is hereby made to the records in the offices of the County Clerk for all purposes.

2. An overriding royalty interest in and to Assignor, for the benefit of certain employees or previously assigned to Energetics Royalty Corporation or Royalty Participation Plan of Energetics, Inc. (hereinafter collectively referred to as "ERC"), pursuant to certain royalty participation plans, which overriding royalty interest may or may not be of record as of the date of this Assignment.

3. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985, under the terms of which this assignment is made free and clear of all liens and obligations of Assignor except as otherwise provided in said Plan.

4. This assignment shall be effective from and after June 1, 1985, at 7:00 a.m.

This assignment is made without warranty expressed or implied.

218745

RECORDED Nov. 9 19 87 10:30 A M
IN BOOK 20 O&G PAGE 374
FEES $ 12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

[redacted] [redacted] Wy[redacted]

This signature page is attached to and made a part of that certain Assignment of Oil, Gas and Mineral Leases dated OCT 1 1987 by and between ENERGETICS, INC. and ITR PETROLEUM, INC.

---

EXECUTED this 1st day of October, 1987, but effective as of the date set forth above.

(Seal)

ENERGETICS, INC.

By: _____
Jordan R. Smith, President

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF

_____
Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Sublette County, WY
EI-Unmortgaged

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated OCT 1 1987 from Energetics, Inc. to ITR Petroleum [redacted], Inc.

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK PAGE | ASSIGNOR'S INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|
| 12630<br>WY-307 | USA W-53093 | Francis Clyde Null | 01-01-76 | Township 27 North, Range 111 West<br>Section 10: All<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Not available | .13409999<br>Operating Rights |
| 13254<br>WY-371 | USA W-62967 | Shirley A. Potestio | 03-01-74 | Township 27 North, Range 110 West<br>Section 8: NE/4<br>Limited in depth from the surface to the stratigraphic equivalent of 14,405 feet as encountered in the Federal 20-8 Well located in the SW/4NE/4 of Section 8, T27N-R110W, 6th P.M. | Not available | .08804145<br>Operating Rights |

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TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED THAT EFFECTIVE AS OF AUGUST 1, 1987, THE ENTITY REPRESENTED IN THE ATTACHED DOCUMENT AS ITR PETROLEUM, INC. HAS, BY VIRTUE OF THE RESTATED ARTICLES OF INCORPORATION FILED WITH THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF DELAWARE ON JULY 31, 1987, CHANGED ITS NAME AND IS NOW OPERATING UNDER THE NAME OF GENERAL ATLANTIC ENERGY CORPORATION WITH CORPORATE HEADQUARTERS LOCATED AT:

410 17TH STREET, SUITE 1400

DENVER, COLORADO 80202

EOC--Unmortgaged

# ASSIGNMENT OF OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENERGETICS OPERATING COMPANY, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, transferred and conveyed, and by these presents does hereby bargain, sell, transfer and convey unto ITR PETROLEUM, INC., 1300 Main Street, Suite 512, Houston, Texas 77002, hereinafter referred to as "Assignee", 46.7% of Assignor's interest, set forth on Exhibit "A", attached hereto, in and to the oil, gas and mineral leases described therein, and the mineral leasehold estates created thereby, including the respective gross working interest, and net revenue interest, and overriding royalty interest, if any, in and to the well or wells drilled upon the leasehold estates, subject to the reservations, exceptions, limitations and conditions, if any, hereinafter set forth and subject to the terms and provisions hereinafter stated.

Reference is here made to the leases described on Exhibit "A", and any amendments thereto, of record in the office of the County Clerk for a more particular description of the acreage covered thereby and for the terms and provisions of said leases and any amendments.

And for the same consideration Assignor does hereby sell, assign, transfer and convey unto Assignee a like 46.7% interest in and to all improvements now owned or hereafter acquired by Assignor and located on the lands and leases including all oil, gas and water wells now or hereafter located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said land and leases, whether the same be considered real, personal or mixed property, including, but not limited to, all casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, leaseholds, sheds and warehouses, all pipelines, rights-of-way, franchises,

[redacted] [redacted] [redacted]

licenses, tenements and easements owned by Assignor as are pertinent to such leases or used or useful in the operation thereof.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, in accordance with the terms and provisions of said oil, gas and mineral leases, and any amendments thereto, and subject to the following reservations, exceptions, conditions and covenants, to wit:

1. Subject to any and all reservations of records relating to overriding royalty interest and/or net profits interest burdening the leases described on Exhibit "A", and any and all other agreements which would affect the title to the leases described on Exhibit "A", and reference is hereby made to the records in the offices of the County Clerk for all purposes.

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985, under the terms of which this assignment is made free and clear of all liens and obligations of Assignor except as otherwise provided in said Plan.

3. This assignment shall be effective from and after June 1, 1985, at 7:00 a.m.

This assignment is made without warranty expressed or implied.

218747

RECORDED Nov. 9 1987 10:30AM
IN BOOK 80 O2G PAGE 379
FEES $ 15.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mau Riley

Wyoming

This signature page is attached to and made a part of that certain Assignment of Oil, Gas and Mineral Leases dated OCT 1 1987 by and between ENERGETICS OPERATING COMPANY and ITR PETROLEUM, INC.

---

EXECUTED this 1st day of October, 1987, but effective as of the date set forth above.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson, President and Chief Executive Officer

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLO.

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Sublette County, WY
EOC-Unmortgaged

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated OCT 1 1987 from Energetics Operating Company to ITR Petroleum (Delaware), Inc.

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE | ASSIGNOR'S INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|---|
| 14725<br>WY-641 | The First National Bank of Kemmerer, Trustee | Thomas F. Stroock | 12-29-72 | Township 28 North, Range 111 West<br>Section 18: Lots 3, 4, E/2SW/4 | 48 | 632 | .15335173 |
| | | | | Township 28 North, Range 111 West<br>Section 7: SE/4<br>Section 18: Lot 2, NW/4NE/4, E/2NW/4 | | | .2056675 |
| | | | | Township 28 North, Range 111 West<br>Section 7: Lots 1, 2, 3, 4, E/2W/2, NE/4 | | | .04519795 |
| | | | | LESS approximately 69.42 acres from the above described lands lying East of the High Line Canal, as excepted in Warranty Deed dated June 23, 1931, recorded in Book 1 (Deeds) at Page 381 in the Office of the County Clerk, Sublette County, Wyoming. | | | |
| | | | | That portion of Assignor's Interest derived from that certain Partial Assignment of Oil and Gas Lease recorded in Book 68 (OG) at Page 661 in said County, is limited in depth from the surface down to, but not below, the stratigraphic equivalent of 10,840 feet, as penetrated in the Chapel Canyon Unit No. 30-18 Well located in the SW/4 of Section 18, T28N-R111W, Sublette County, Wyoming. | | | |

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Sublette County, WY
EOC-Unmortgaged

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE | ASSIGNOR'S INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|---|
| 14726AA WY-641 | Alberta E. Jardine | Belco Petroleum Corporation | 03-16-82 | Township 28 North, Range 111 West Section 18: E/2SW/4 lying East or above the line of Survey of the Highline Canal. | 64 | 526 | .13003634 |
| | | | | Township 28 North, Range 111 West Section 7: E/2E/2 lying East or above the line of Survey of the Highline Canal. | | | .26744928 |
| 14726AB WY-641 | Beatrice R. Bacon | Belco Petroleum Corporation | 03-16-82 | Township 28 North, Range 111 West Section 18: E/2SW/4 lying East or above the line of Survey of the Highline Canal. | 64 | 528 | .13003634 |
| | | | | Township 28 North, Range 111 West Section 7: E/2E/2 lying East or above the line of Survey of the Highline Canal. | | | .26744928 |
| 14726AC WY-641 | Patricia Ramage Stedman, et vir | Belco Petroleum Corporation | 08-04-75 | Township 28 North, Range 111 West Section 18: E/2SW/4 lying East or above the line of Survey of the Highline Canal. | 51 | 568 | .13003634 |
| | | | | Township 28 North, Range 111 West Section 7: E/2E/2 lying East or above the line of Survey of the Highline Canal. | | | .26744928 |

383

TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED THAT EFFECTIVE AS OF AUGUST 1, 1987, THE ENTITY REPRESENTED IN THE ATTACHED DOCUMENT AS ITR PETROLEUM, INC. HAS, BY VIRTUE OF THE RESTATED ARTICLES OF INCORPORATION FILED WITH THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF DELAWARE ON JULY 31, 1987, CHANGED ITS NAME AND IS NOW OPERATING UNDER THE NAME OF GENERAL ATLANTIC ENERGY CORPORATION WITH CORPORATE HEADQUARTERS LOCATED AT:

410 17TH STREET, SUITE 1400

DENVER, COLORADO 80202

EOC -Unmortgaged

# ASSIGNMENT OF OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENERGETICS OPERATING COMPANY, 7951 E. Maplewood Avenue, Suite 133, Englewood, Colorado 80111 hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, transferred and conveyed, and by these presents does hereby bargain, sell, transfer and convey unto ITR PETROLEUM, INC., 1300 Main Street, Suite 512, Houston, Texas 77002, hereinafter referred to as "Assignee", 46.7% of Assignor's interest, set forth on Exhibit "A", attached hereto, in and to the oil, gas and mineral leases described therein, and the mineral leasehold estates created thereby, including the respective gross working interest, and net revenue interest, and overriding royalty interest, if any, in and to the well or wells drilled upon the leasehold estates, subject to the reservations, exceptions, limitations and conditions, if any, hereinafter set forth and subject to the terms and provisions hereinafter stated.

Reference is here made to the leases described on Exhibit "A", and any amendments thereto, of record in the office of the County Clerk for a more particular description of the acreage covered thereby and for the terms and provisions of said leases and any amendments.

And for the same consideration Assignor does hereby sell, assign, transfer and convey unto Assignee a like 46.7% interest in and to all improvements now owned or hereafter acquired by Assignor and located on the lands and leases including all oil, gas and water wells now or hereafter located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said land and leases, whether the same be considered real, personal or mixed property, including, but not limited to, all casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, leaseholds, sheds and warehouses, all pipelines, rights-of-way, franchises,

licenses, tenements and easements owned by Assignor as are pertinent to such leases or used or useful in the operation thereof.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, in accordance with the terms and provisions of said oil, gas and mineral leases, and any amendments thereto, and subject to the following reservations, exceptions, conditions and covenants, to wit:

1. Subject to any and all reservations of records relating to overriding royalty interest and/or net profits interest burdening the leases described on Exhibit "A", and any and all other agreements which would affect the title to the leases described on Exhibit "A", and reference is hereby made to the records in the offices of the County Clerk for all purposes.

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985, under the terms of which this assignment is made free and clear of all liens and obligations of Assignor except as otherwise provided in said Plan.

3. This assignment shall be effective from and after June 1, 1985, at 7:00 a.m.

This assignment is made without warranty expressed or implied.

218748

RECORDED Nov. 9 19 87 10:30 A.M.
IN BOOK 80 O&G PAGE 385
FEES $12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mae Riley

Wyoming

This signature page is attached to and made a part of that certain Assignment of Oil, Gas and Mineral Leases dated OCT 1 1987 by and between ENERGETICS OPERATING COMPANY and ITR PETROLEUM, INC.

---

EXECUTED this 1st day of October, 1987, but effective as of the date set forth above.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson, President and Chief Executive Officer

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLORADO

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Sublette County, WY
EOC- NOT MORTGAGED

EXHIBIT "A"

| LEASE NO. PROSPECT NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE | ASSIGNOR'S INTEREST (DECIMAL) |
|---|---|---|---|---|---|---|---|
| 12740 WY-293 | USA W-54137 | Melvin Meester | 04-01-76 | Township 27 North, Range 111 West<br>Section 21: NE/4, W/2<br>Section 33: NW/4SW/4 | 64 | 328 | Before the "Event"* .00075 of 8/8 Overriding Royalty Interest<br>After the "Event"* .00175 of 8/8 Overriding Royalty Interest |
| 10541 WY-216 | USA W-58724 | John P. Cuccia | 05-01-77 | Township 27 North, Range 111 West<br>Section 19: Lots 1, 2, 3, 4, E/2W/2<br>Section 30: Lots 1, 2, 3, E/2W/2 | 54 | 470 | Before the "Event"* .00525 of 8/8 Overriding Royalty Interest<br>After the "Event"* .01225 of 8/8 Overriding Royalty Interest |
| 11221 WY-322 | USA W-62791 | Robert W. Meyers | 05-01-78 | Township 28 North, Range 111 West<br>Section 25: E/2 Lot 1, Lots 3, 4, 5, 6, 7, SE/4SW/4NE/4, SE/4NE/4SW/4, SE/4SW/4, W/2SE/4 | 65 | 556 | Before the "Event"* .0039 of 8/8 Overriding Royalty Interest<br>After the "Event"* .0091 of 8/8 Overriding Royalty Interest |

* The "Event" is defined in that Acquisition Agreement dated July 1, 1982, by and between American Gas & Oil Investors and Energetics, Inc. (now Energetics Operating Company).

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TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED THAT EFFECTIVE AS OF AUGUST 1, 1987, THE ENTITY REPRESENTED IN THE ATTACHED DOCUMENT AS ITR PETROLEUM, INC. HAS, BY VIRTUE OF THE RESTATED ARTICLES OF INCORPORATION FILED WITH THE OFFICE OF THE SECRETARY OF STATE FOR THE STATE OF DELAWARE ON JULY 31, 1987, CHANGED ITS NAME AND IS NOW OPERATING UNDER THE NAME OF GENERAL ATLANTIC ENERGY CORPORATION WITH CORPORATE HEADQUARTERS LOCATED AT:

410 17TH STREET, SUITE 1400

DENVER, COLORADO 80202

Form 3000-3a
(May 1987)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

CORRECTIVE

To correct Transfer
dated August 18, 1986

# TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Lease Serial No.

W-36058

**Type or print plainly in ink and sign in ink.**

## PART A: TRANSFER

1. Transferee (Sublessee) NGC Energy Company, formerly Pacific Transmission Supply Company
   Street Four Embarcadero Center, Suite 1400
   City, State San Francisco, CA
   Zip Code 94111-4164

   Additional Transferees

218797

RECORDED Nov. 12 1987 2:00 P M
IN BOOK 80 O&G PAGE 390
FEES $ 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

This transfer is for: *(Check one)* ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* ☒ Operating Rights (sublease) ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| Township 29 North, Range 115 West, 6th PM<br>Section 21: E/2<br>Section 27: SW/4SW/4<br>Section 33: Lots 3, 4, NE/4, N/2SE/4<br>Containing 678.92 acres, more or less,<br>Sublette County, Wyoming<br><br>Insofar and only insofar as said operating rights pertain to the surface to the base of the Triassic Nugget formation, deemed to be the stratigraphic equivalent of the depth of 12,154 feet as measured in the Humble #2 Hoback II unit well located in Section 15, T28N-R115W, 6th PM.<br><br>* The purpose of this Assignment is to correct the Transfer, Assignment or Sublease of Operating Rights in Oil and Gas Lease executed August 18, 1986, effective December 11, 1985 (over) | 50% | 100% | None | None | *None |

**FOR BLM USE ONLY**

THE UNITED STATES OF AMERICA

**This Transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.**

Transfer Approved Effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

Tear Tear Tear

## PART C: GENERAL INSTRUCTIONS

1. Applicant(s) must complete Parts A1 and A2 and Part B. Both parties to transfer must sign. File three (3) manually signed, completed copies of this form in the appropriate BLM office for each transfer of operating rights (sublease). File one (1) manually signed copy of transfer of overriding royalty interest. The required filing fee (nonrefundable) must accompany the transfer, payment out of production or other similar interests or payments. File transfer within ninety (90) days after date of execution by transferor.
2. Separate form must be used for each lease being affected by this transfer and for each type of interest conveyed.
3. In item No. 2 of Part A, describe lands affected (See 43 CFR 3106, 3135, or 3241). For columns b, c, d, and e, enter the interest expressed as a percentage of total interest in the lease; e.g., if transferor transfers one quarter of a 20% interest, enter 20% in column b, 5% in column c, and 15% in column d.
4. If transfer is to more than one transferee, enter each transferee's name across columns d, e, and f next to the respective interest being conveyed.
5. If any payments out of production or similar interests, arrangements or payments have previously been created out of the interest being transferred, or if any such payments or interests are reserved under this transfer include a statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106, 3135, or 3241.
6. The lease account must be in good standing before this transfer (sublease) can be approved (43 CFR 3106 and 3241).
7. Transfer, if approved, takes effect on the first day of the month following date of filing in the proper BLM office. If a bond is necessary, it must be furnished prior to approval of the transfer.
8. Overriding royalty and payment out of production or other similar types of transfers must be filed with BLM, but will be accepted for record purposes only. No official approval will be given.
9. Upon approval of a transfer of operating rights (sublease), both the sublessee and lessee of record are responsible for all lease obligations.

**PAPERWORK REDUCTION ACT STATEMENT**

1. This information is being collected pursuant to the law.

2. This information will be used to create and maintain a record of oil and gas/geothermal lease activity.

3. Response to this request is required to obtain benefit.

**NOTICE**

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas/geothermal lease transfer application.

AUTHORITY: 30 U.S.C. 181 et seq.

PRINCIPAL PURPOSE--The information is to be used to process oil and gas/geothermal lease transfer of operating rights (sublease) application.

**ROUTINE USES:**

(1) The approval of transferee's rights to the land or resources.

(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.

(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.

(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION—If all the information is not provided, the transfer may be rejected. See regulations at 43 CFR Groups 3100 and 3200.**

Tear — Tear — Tear

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

wherein a 3.00% overriding royalty interest was erroneously specified in Section 6 of said Transfer as previously reserved.

A C K N O W L E D G M E N T

STATE OF CALIFORNIA )
)ss.
CITY AND COUNTY OF SAN FRANCISCO )

ON THIS 16th day of October, 1987, before me, LINDA M. CLITES, a Notary Public in and for said City, County and State, residing therein, duly commissioned and sworn, personally appeared H. G. CULP, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument as the Attorney-in-Fact for Natural Gas Corporation of California, and acknowledged to me that he subscribed the name of said corporation thereto as principal, and his own name as Attorney-in-Fact and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

OFFICIAL SEAL
LINDA M. CLITES
NOTARY PUBLIC – CALIFORNIA
San Francisco County
My Commission Expires Feb. 2, 1990

Linda M. Clites
Notary Public in and for said
City, County and State

acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.

3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

For oil and gas transfers, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal transfers, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this OCT 15 1987 day of _____, 19 87

Effective as of December 11, 1985.

Four Embarcadero Center, Suite 1400
(Transferor's Address)

San Francisco (City) CA (State) 94111-4164 (Zip Code)

Transferor Natural Gas Corporation of California

Attorney-in-fact H. G. Culp (Signature)

Executed this OCT 15 1987 day of _____, 19 87

Transferee NGC Energy Company (formerly Pacific Transmission Supply Company)

Attorney-in-fact Diane J. Williams

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*U.S.GPO:1987-181-423/64101

Form 3000-3
(December 1986)
(formerly 3106-5 & 3200-17)

CORRECTIVE

To correct Assignment dated August 18, 1986

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT OF RECORD TITLE INTEREST IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

Lease Serial No.
W-36058

New Serial No.

**Type or print plainly in ink and sign in ink.**

## PART A: ASSIGNMENT

1. **Assignee** NGC Energy Company, formerly Pacific Transmission Supply Company
**Street** Four Embarcadero Center, Suite 1400
**City, State** San Francisco, CA
**Zip Code** 94111-4164

218788

RECORDED Nov. 12 1987 2:00 P M
IN BOOK 80 010 PAGE 392
FEES 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mary Riley

Additional Assignees

This record title assignment is for: *(Check one)* ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* ☒ Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| Township 29 North, Range 115 West, 6th PM<br>Section 21: E/2<br>Section 27: SW/4SW/4<br>Section 33: Lots 3, 4, NE/4, N/2SE/4<br>Containing 678.92 acres, more or less,<br>Sublette County, Wyoming<br><br>*The purpose of this Assignment is to correct the Assignment Affecting Record Title executed August 18, 1986, effective as of December 11, 1985, wherein a 3.00% overriding royalty interest was erroneously specified in Section 6 of said Assignment. | 50% | 100% | None | None | *None |

**FOR BLM USE ONLY**

UNITED STATES OF AMERICA

**This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.**

☐ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

Tear Tear Tear

## PART C: GENERAL INSTRUCTIONS

1. Applicant(s) must complete Parts A1 and A2 and Part B. Both parties to assignment must sign. File three (3) manually signed, completed copies of this form in the appropriate BLM office for each assignment of record title. File one (1) manually signed copy for transfer of overriding royalty interests, payment out of production or other similar interests or payments. The required filing fee (nonrefundable) must accompany the assignment. File assignment within ninety (90) days after date of execution of assignor.
2. Separate form must be used for each lease being affected by this assignment and for each type of interest conveyed.
3. In item No. 2 of Part A, describe lands affected (See 43 CFR 3106, 3135, or 3241). For columns b, c, d, and e, enter the interest expressed as a percentage of total interest in the lease; e.g., if assignor assigns one quarter of a 20% interest, enter 20% in column b, 5% in column c, and 15% in column d.
4. If assignment is to more than one assignee, enter each assignee's name across columns d, e, and f next to the respective interest being conveyed.
5. If any payment out of production or similar interests, arrangements or payments have previously been created out of the interest being assigned, or if any such payments or interests are reserved under this assignment, include a statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106, 3135, or 3241.
6. The lease account must be in good standing before this assignment can be approved as provided under 43 CFR 3106 and 3241.
7. Assignment, if approved, takes effect on the first day of the month following the date of filing in the proper BLM office. If a bond is necessary, it must be furnished prior to approval of the assignment.
8. Approval of assignment of record title to 100% of a portion of the leased lands creates separate leases of the retained and the assigned portions, but does not change the terms and conditions of the lease anniversary date for purposes of payment of annual rental.
9. Overriding royalty, payment out of production or other similar types of transfers must be filed with BLM, but will be accepted for record purposes only. No official approval will be given.

## PAPERWORK REDUCTION ACT STATEMENT

1. This information is being collected pursuant to the law.

2. This information will be used to create and maintain a record of oil and gas/geothermal lease activity.

3. Response to this request is required to obtain benefit.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas/geothermal lease record title assignment application.

AUTHORITY: 30 U.S.C. 181 et seq.

PRINCIPAL PURPOSE—The information is to be used to process oil and gas/geothermal lease record title assignment applications.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.

(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.

(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.

(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION—If all the information is not provided, the application may be rejected. See regulations at 43 CFR Groups 3100 and 3200.**

Tear Tear Tear

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

## ACKNOWLEDGMENT

STATE OF CALIFORNIA )
)ss.
CITY AND COUNTY OF SAN FRANCISCO )

ON THIS 16th day of October, 1987, before me, LINDA M. CLITES, a Notary Public in and for said City, County and State, residing therein, duly commissioned and sworn, personally appeared H. G. CULP, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument as the Attorney-in-Fact for Natural Gas Corporation of California, and acknowledged to me that he subscribed the name of said corporation thereto as principal, and his own name as Attorney-in-Fact and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

OFFICIAL SEAL
LINDA M. CLITES
NOTARY PUBLIC — CALIFORNIA
San Francisco County
My Commission Expires Feb. 2, 1990

Linda M. Clites
Notary Public in and for said
City, County and State

## PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The assignor certifies as owner of an interest in the above designated lease that he/she hereby assigns to the above assignee(s) the rights specified above.

2. Assignee certifies as follows: (a) Assignee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, nation, or resident alien of the United States or association of such citizen, nationals, resident aliens or private, public or municipal corporations. (b) Assignee is not considered a minor under the laws of the State in which the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; and (d) All parties holding an interest in the assignment are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For oil and gas assignments, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal assignments, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this OCT 15 1987 day of _____, 19 87
Effective as of December 11, 1985

Assignor Natural Gas Corporation of California

Attorney-in-fact H. G. Culp
H. G. Culp (Signature)

Name of assignor as shown on current lease or assignment Natural Gas Corporation of California

Four Embarcadero Center, Suite 1400 (Assignor's Address) San Francisco (City) CA (State) 94111-4164 (Zip Code)

Executed this OCT 15 1987 day of _____, 19 87

Assignee NGC Energy Company (formerly Pacific Transmission Supply Company)

Attorney-in-fact Diane J. Williams
(Signature) Diane J. Williams

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

★U.S.GPO:1987-0-773-017/61814

## RELEASE OF LIEN

On May 21, 1984, RED HORSE OIL COMPANY filed a Materialmen's Lien in amounts set forth below in the records of Sweetwater County, Wyoming, which lien is recorded in Book 752, Page 933, and covers the following described wells and leasehold, including the entire leasehold estates which are the basis for an interest in such wells:

Township 24 North, Range 110 West
Section 2: SW/4
Sweetwater County, Wyoming
(Blue Forest 30-02)
Lien Amount - $7,174.44

Township 25 North, Range 109 West
Section 31: SW/4
Sweetwater County, Wyoming
(Blue Forest 30-31)
Lien Amount - $4,304.66

Township 26 North, Range 111 West
Section 27: NW/4
Sweetwater County, Wyoming
(Beck Federal 10-27)
Lien Amount - $2,028.00

Township 27 North, Range 112 West
Section 14: NE/4
Sublette County, Wyoming
(Beck Federal 20-14)
Lien Amount - $4,914.00

This lien claim is subject to the Debtors' Second Amended Consolidated Plan of Reorganization (hereinafter the "Plan") in the jointly administered cases of In re: Energetics, Inc., Case No. 84-B-5326 M, and In re: Energetics Operating Company, Case No. 84-B-5325 M, United States Bankruptcy Court for the District of Colorado. Under the Plan, a lien claimant may be allowed to waive its secured claim and elect to be treated as a Class D unsecured creditor as defined in the Plan.

Therefore, for and in consideration of being allowed to proceed as a Class D unsecured creditor under the Plan and other good and valuable consideration, RED HORSE OIL COMPANY does by these presents release, quitclaim, and discharge the above-described lien claim insofar as its claim affects and covers interests owned by ITR Petroleum, Inc.; Energetics, Inc; Energetics Operating Company; and their successors and assigns.

218799

DATED this 15th day of August, 1987.

RED HORSE OIL COMPANY

By: Robert Bunning

RECORDED Nov. 12 19 87 2:00 PM
IN BOOK 80 O&G PAGE 394
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

STATE OF WYOMING )
) ss.
COUNTY OF SWEETWATER )

The foregoing instrument was acknowledged before me this 15th day of August, 1987 by Robert Bunning, President of RED HORSE OIL COMPANY.

(SEAL)

Susan Jackson
Notary Public

My commission expires: 4/15/88

WY-2033-341-00

SUBLETTE COUNTY, WYOMING
OTE CREEK UNIT

# ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS, that this Assignment is made on this 15th day of November, 1987, by and between ZKB PROPERTIES whose address is Suite #3410, 555 17th Street, Denver, Colorado 80202, sometimes hereinafter referred to as "ASSIGNOR" and BRINKERHOFF ENTERPRISES, LTD., whose address is Suite #3410, 555 17th Street, Denver, Colorado 80202, sometimes hereinafter referred to as "ASSIGNEE".

WITNESSETH that for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of both of which are hereby acknowledged, ASSIGNOR has and does by these presents hereby ASSIGN, SELL, CONVEY TRANSFER, and SET OVER unto ASSIGNEE, its successors, assigns and legal representatives forever, an undivided 0.666670% of the right, title and interest of ASSIGNOR in and to each of the oil and gas leases, described in Exhibit "A", attached hereto and by reference made a part hereof, together with the rights and appurtenances thereto and the personal property and equipment thereon and incident thereto or used in connection therewith.

THIS ASSIGNMENT is subject to the terms, conditions, and provisions of the original oil and gas leases set forth and described in the said Exhibit "A". For the purposes of this Assignment, the term "oil, gas and mineral leases" includes all the leases described in the said Exhibit "A", regardless of the caption or title of such leases and whether such leases are accurately described or adequately set forth therein.

THIS ASSIGNMENT is subject to its proportionate part of all existing and outstanding royalty interests and other lease burdens chargeable against the oil and gas leases set forth and described in the said Exhibit "A", attached hereto.

THIS ASSIGNMENT is further subject to any joint operating agreement, any gas contract, designation of unit, declaration of pooling, farmout agreement, pooling agreement, and any amendments to said documents, affecting the oil and gas leases set forth and described in the said Exhibit "A" attached hereto.

218854

RECORDED Nov. 18 1987 10:15 A.M.
IN BOOK 80 O&G PAGE 395
FEES $ 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[redacted] By: [redacted] Dep

AND for the same consideration ASSIGNOR convenants with the ASSIGNEE, its successors, assigns and legal representatives, that the ASSIGNOR is the lawful owner and has good title to the interest assigned in and to said oil and gas leases, rights and property, free and clear from all liens, encumbrances or adverse claims; that said oil and gas leases are valid and subsisting leases on the lands described, and that all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force and effect have been duly performed, and ASSIGNOR warrants title by, through and under itself but not further or otherwise.

IN WITNESS WHEREOF, This Assignment is executed this the 15th day of November, 1987.

WITNESS:

Celeste V Hazelhurst
Celeste V. Hazelhurst

Bea Martelon
Bea Martelon

ZKB PROPERTIES

Zach K. Brinkerhoff, Jr.
General Partner

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of ZKB PROPERTIES, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZKB PROPERTIES for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

SUBLETTE COUNTY, WYOMING

EXHIBIT "A"

Attached hereto and made a part hereof that certain Assignment of Interest in Oil and Gas Leases dated November 15, 1987, between ZKB PROPERTIES, ASSIGNOR and BRINKERHOFF ENTERPRISES, LTD., ASSIGNEE.

OTE CREEK UNIT

| | |
|---|---|
| Lease Date: | September 2, 1968 |
| Lessor: | State of Wyoming #68-38592 |
| Lessee: | Nola Grace Ptasynski |
| Recorded: | Book 53 Page 152 |
| Land Description: | Sublette County, Wyoming<br>Township 33 North, Range 114 West<br>Section 33: S/2NE/4; N/2SE/4; NE/4SW/4<br>Cont. 200.00 gross acres |

[redacted]WY-2033-341-00

SUBLETTE COUNTY, WYOMING
OTE CREEK UNIT

218855

RECORDED Nov. 18 19 87 10:15AM
IN BOOK 80 O&G PAGE 398
FEES $ 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

# ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS, that this Assignment is made on this 15th day of November, 1987, by and between ZACH K. BRINKERHOFF, JR. TRUSTEE OF ZACH K. BRINKERHOFF, JR. TRUST, whose address is Suite #3410, 555 17th Street, Denver, Colorado 80202, sometimes hereinafter referred to as "ASSIGNOR" and BRINKERHOFF ENTERPRISES, LTD., whose address is Suite #3410, 555 17th Street, Denver, Colorado 80202, sometimes hereinafter referred to as "ASSIGNEE".

WITNESSETH that for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of both of which are hereby acknowledged, ASSIGNOR has and does by these presents hereby ASSIGN, SELL, CONVEY TRANSFER, and SET OVER unto ASSIGNEE, its successors, assigns and legal representatives forever, ALL of the right, title and interest of ASSIGNOR in and to each of the oil and gas leases, described in Exhibit "A", attached hereto and by reference made a part hereof, together with the rights and appurtenances thereto and the personal property and equipment thereon and incident thereto or used in connection therewith.

THIS ASSIGNMENT is subject to the terms, conditions, and provisions of the original oil and gas leases set forth and described in the said Exhibit "A". For the purposes of this Assignment, the term "oil, gas and mineral leases" includes all the leases described in the said Exhibit "A", regardless of the caption or title of such leases and whether such leases are accurately described or adequately set forth therein.

THIS ASSIGNMENT is subject to its proportionate part of all existing and outstanding royalty interests and other lease burdens chargeable against the oil and gas leases set forth and described in the said Exhibit "A", attached hereto.

THIS ASSIGNMENT is further subject to any joint operating agreement, any gas contract, designation of unit, declaration of pooling, farmout agreement, pooling agreement, and any amendments to said documents, affecting the oil and gas leases set forth and described in the said Exhibit "A" attached hereto.

AND for the same consideration ASSIGNOR convenants with the ASSIGNEE, its successors, assigns and legal representatives, that the ASSIGNOR is the lawful owner and has good title to the interest assigned in and to said oil and gas leases, rights and property, free and clear from all liens, encumbrances or adverse claims; that said oil and gas leases are valid and subsisting leases on the lands described, and that all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force and effect have been duly performed, and ASSIGNOR warrants title by, through and under itself but not further or otherwise.

IN WITNESS WHEREOF, This Assignment is executed this the 15th day of November, 1987.

WITNESS:

Celeste V Hazelhurst
Celeste V. Hazelhurst

Bea Martelon
Bea Martelon

ZACK K. BRINKERHOFF, JR. TRUST

Zach K. Brinkerhoff, Jr. Trustee

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. TRUSTEE of ZACH K. BRINKERHOFF, JR. TRUST, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZACH K. BRINKERHOFF, JR. TRUST for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

CYNTHIA A. RIEDEL NOTARY PUBLIC STATE OF COLORADO

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

SUBLETTE COUNTY, WYOMING

EXHIBIT "A"

Attached hereto and made a part hereof that certain Assignment of Interest in Oil and Gas Leases dated November 15, 1987, between ZACH K. BRINKERHOFF, JR. TRUSTEE OF ZACH K. BRINKERHOFF, JR. TRUST, ASSIGNOR and BRINKERHOFF ENTERPRISES, LTD., ASSIGNEE.

OTE CREEK UNIT

| | |
|---|---|
| Lease Date: | September 2, 1968 |
| Lessor: | State of Wyoming #68-38592 |
| Lessee: | Nola Grace Ptasynski |
| Recorded: | Book 53 Page 152 |
| Land Description: | Sublette County, Wyoming<br>Township 33 North, Range 114 West<br>Section 33: S/2NE/4; N/2SE/4; NE/4SW/4<br>Cont. 200.00 gross acres |

401

WY-2033-344-00

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-30485

Lease effective date

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

BRINKERHOFF ENTERPRISES, LTD.

Address *(include zip code)*

555 17th Street, #3410, Denver, CO 80202

The undersigned, as owner of 6.0000% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 33 North, Range 114 West, 6th PM
Sec. 33: N/2N/2; S/2NW/4
Cont. 240.00 acres
Sublette County, WY

Operating rights in all the lands in this lease from the surface down to the stratigraphic equivalent of 6,000 feet as found in the Ote Creek Unit #1 well located in the SW/4NE/4 of Sec. 33, T33N, R114W.

218856

RECORDED Nov. 18 19 87 10:15 AM
IN BOOK 80 O&G PAGE 401
FEES $ 8.00 Mary Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | all or 100% o his int. |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 11.75% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under thi transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms a provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added t overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess o 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith

Executed this 15th day of November , 19 87.

ZACH K. BRINKERHOFF, JR. TRUST

(Assignor's Signature)

Zach K. Brinkerhoff, Jr. Trustee

555 17th Street #3410
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

(Title) (Date)

NOTE: [redacted] may be reproduced provided that copies [redacted] reproductions on one sheet of both side [redacted] fficial form in ac

[redacted] [redacted] [redacted]

T 11

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 15th day of November, 19 87.

BRINKERHOFF ENTERPRISES, LTD.

(Assignee's Signature)

Zach K. Brinkerhoff, Jr., General Partner

555 17th Street, #3410
(Assignee's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.

402

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. TRUSTEE of ZACH K. BRINKERHOFF, JR. TRUST, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZACH K. BRINKERHOFF, JR. TRUST for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A. Riedel

Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of BRINKERHOFF ENTERPRISES, LTD., to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of BRINKERHOFF ENTERPRISES, LTD. for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A. Riedel

Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

WY-20[redacted]-00

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-30485

Lease effective date

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

BRINKERHOFF ENTERPRISES, LTD.

Address *(include zip code)*

555 17th Street, #3410, Denver, CO 80202

The undersigned, as owner of 25.83335% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 33 North, Range 114 West, 6th PM
Sec. 33: N/2N/2; S/2NW/4
Cont. 240.00 acres
Sublette County, WY

Operating rights in all the lands in this lease from the surface down to the stratigraphic equivalent of 6,000 feet as found in the Ote Creek Unit #1 Well located in the SW/4NE/4 of Sec. 33, T33N, R114W.

218857

RECORDED Nov. 18 19 87 10:15 AM
IN BOOK 80 O&G PAGE 404
FEES $ 9.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 0.66667% |
| 4. Specify interest or percent of operating rights being retained by assignor | 25.16668% |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 11.75% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under th transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good fait

Executed this 15th day of November , 1987

ZKB PROPERTIES

(Assignor's Signature)

Zach K. Brinkerhoff, Jr., General Partner

555 17th Street, #3410
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the Unite States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

_____
(Title) (Date)

*NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in ac ance with provisions of 43 CFR 3106.*

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PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 15th day of November, 19 87.

BRINKERHOFF ENTERPRISES, LTD.

Jack K. Brinkerhoff

(Assignee's Signature)

Zach K. Brinkerhoff, Jr., General Partner

555 17th Street, #3410

(Assignee's Address)

Denver, CO 80202

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

The [redacted]g collected pursuant to the law (43 CFR [redacted]) is used to create a record of [redacted]

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of ZKB PROPERTIES, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZKB PROPERTIES for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:
July 18, 1989

NOTARY PUBLIC:
Cynthia A. Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of BRINKERHOFF ENTERPRISES, LTD., to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of BRINKERHOFF ENTERPRISES, LTD. for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:
JULY 18, 1989

NOTARY PUBLIC:
Cynthia A. Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

407

WY-2033-348-00

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.

W-31575

Lease effective date

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

BRINKERHOFF ENTERPRISES, LTD.

Address *(include zip code)*

555 17th Street, #3410, Denver, CO 80202

The undersigned, as owner of 25.83335% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Sublette County, Wyoming
Township 33 North, Range 114 West, 6th PM
Section 33: NW/4SW/4; S/2S/2
Cont. 200.00 acres

From the surface of the ground to the stratigraphic equivalent of 6,000 feet as found in the Ote Creek Unit No. 1 Well located in the SW/4NE/4, Sec. 33, T33N, R114W.

218858

RECORDED Nov. 18 19 87 10:15 A.M.
IN BOOK 80 O&G PAGE 407
FEES $ 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 0.66667% |
| 4. Specify interest or percent of operating rights being retained by assignor | 25.16668% |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.50% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith

Executed this 15th day of November , 1987 .

ZKB PROPERTIES

(Assignor's Signature)

555 17th Street, #3410
(Assignor's Address)

Zach K. Brinkerhoff, Jr. General Partner

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

(Title) (Date)

NOTE: This [redacted] may be reproduced provided that [redacted] are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106. [redacted]

PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 15th day of November , 19 87 .

BRINKERHOFF ENTERPRISES, LTD.

(Assignee's Signature)

Zach K. Brinkerhoff, Jr., General Partner

555 17th Street, #3410
(Assignee's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of ZKB PROPERTIES, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZKB PROPERTIES for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:
July 18, 1989

NOTARY PUBLIC:
Cynthia A Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of BRINKERHOFF ENTERPRISES, LTD., to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of BRINKERHOFF ENTERPRISES, LTD. for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:
July 18, 1989

NOTARY PUBLIC:
Cynthia A Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

WY-20[redacted]00

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-31575

Lease effective date

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name
BRINKERHOFF ENTERPRISES, LTD.

Address *(include zip code)*
555 17th Street, #3410, Denver, CO 80202

The undersigned, as owner of 6.000% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Sublette County, Wyoming
Township 33 North, Range 114 West, 6th PM
Section 33: NW/4SW/4; S/2S/2
Cont. 200.00 acres

From the surface of the ground to the stratigraphic equivalent of 6,000 feet as found in the Ote Creek Unit No. 1 Well located in the SW/4NE/4, Sec. 33, T33N, R114W.

218859

RECORDED Nov. 18 19 87 10:15 AM
IN BOOK 80 O & G PAGE 410
FEES $ 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Nancy Riley

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | all or 100% of his int. |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.50% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 15th day of November, 19 87.

ZACH K. BRINKERHOFF, JR. TRUST

(Assignor's Signature)

555 17th Street #3410
(Assignor's Address)

Zach K. Brinkerhoff, Jr. Trustee

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

(Title) (Date)

NOTE: This form may be reproduced provided that [illegible] reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.

411

T 11

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 15th day of November, 19 87.

BRINKERHOFF ENTERPRISES, LTD.

(Assignee's Signature)

Zach K. Brinkerhoff, Jr., General Partner

555 17th Street, #3410
(Assignee's Address)

Denver, CO 80202
(City) (State) (Zip Code)

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### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.
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### NOTICE

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AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork [redacted]tion Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
[redacted] collected pursuant to the law (43 CF[redacted]).

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. TRUSTEE of ZACH K. BRINKERHOFF, JR. TRUST, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZACH K. BRINKERHOFF, JR. TRUST for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A. Riedel

Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of BRINKERHOFF ENTERPRISES, LTD., to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of BRINKERHOFF ENTERPRISES, LTD. for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A. Riedel

Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

413

WY-2033-348-00

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-31575

Lease effective date

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

BRINKERHOFF ENTERPRISES, LTD.

Address *(include zip code)*

555 17th Street, #3410, Denver, CO 80202

The undersigned, as owner of 12.916675% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Sublette County, Wyoming
Township 33 North, Range 114 West, 6th PM
Section 34: SW/4SW/4
Cont. 40.00 acres

From the surface of the ground to the stratigraphic equivalent of 6,000 feet as found in the Ote Creek Unit No. 1 Well located in the SW/4NE/4, Sec. 33, T33N, R114W.

218860

RECORDED Nov. 18 19 87 10:15 AM
IN BOOK 80 O&G PAGE 413
FEES $ 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 0.333333% |
| 4. Specify interest or percent of operating rights being retained by assignor | 12.583342% |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.50% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 15th day of November, 1987.

ZKB PROPERTIES

(Assignor's Signature)

555 17th Street, #3410
(Assignor's Address)

Zach K. Brinkerhoff, Jr. General Partner

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

(Title) (Date)

NOTE: [redacted]ay be reproduced provided that copies ar[redacted]eproductions on one sheet of both sides o[redacted]rial form in accord[redacted]nce with provisions of 43 CFR 3106.

PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 15th day of November , 19 87 .

BRINKERHOFF ENTERPRISES, LTD.

(Assignee's Signature)

555 17th Street, #3410
(Assignee's Address)

Zach K. Brinkerhoff, Jr., General Partner

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of ZKB PROPERTIES, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZKB PROPERTIES for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:
July 18, 1989

NOTARY PUBLIC:
Cynthia A Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of BRINKERHOFF ENTERPRISES, LTD., to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of BRINKERHOFF ENTERPRISES, LTD. for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:
July 18, 1989

NOTARY PUBLIC:
Cynthia A Riedel
Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

WY-203[redacted]0

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

[redacted]ROVED
Expires: August 31, 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-31575

Lease effective date

## PART I

1. Assignee's Name
BRINKERHOFF ENTERPRISES, LTD.

Address *(include zip code)*
555 17th Street, #3410, Denver, CO 80202

The undersigned, as owner of 3.00% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2–3 or 3101.1–4)

Sublette County, Wyoming
Township 33 North, Range 114 West, 6th PM
Section 34: SW/4SW/4
Cont. 40.00 acres

From the surface of the ground to the stratigraphic equivalent of 6,000 feet as found in the Ote Creek Unit No. 1 Well located in the SW/4NE/4, Sec. 33, T33N, R114W.

218861

RECORDED Nov. 18 1987 10:15 A.M.
IN BOOK 80 O&G PAGE 446
FEES $ 8.00 Mary Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mau Riley

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | all or 100% of his int. |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.50% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 15th day of November, 19 87.

ZACH K. BRINKERHOFF, JR. TRUST

(Assignor's Signature)

555 17th Street #3410
(Assignor's Address)

Zach K. Brinkerhoff, Jr. Trustee

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective _____ By _____
(Authorized Officer)

(Title) (Date)

*NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.*

T 11

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 15th day of November, 19 87.

BRINKERHOFF ENTERPRISES, LTD.

(Assignee's Signature)

Zach K. Brinkerhoff, Jr., General Partner

555 17th Street, #3410
(Assignee's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The P[redacted]ction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
[redacted] being collected pursuant to the law (43 C[redacted]–3(a)).

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. TRUSTEE of ZACH K. BRINKERHOFF, JR. TRUST, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of ZACH K. BRINKERHOFF, JR. TRUST for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A Riedel

Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

STATE OF COLORADO )
) ss. ACKNOWLEDGMENT
COUNTY OF DENVER )

BEFORE ME, the undersigned, a Notary Public, within and for said County and State, on this 15th day of November, 1987, personally appeared ZACH K. BRINKERHOFF, JR. GENERAL PARTNER of BRINKERHOFF ENTERPRISES, LTD., to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed and the free and voluntary act and deed of BRINKERHOFF ENTERPRISES, LTD. for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

July 18, 1989

NOTARY PUBLIC:

Cynthia A Riedel

Cynthia A. Riedel
555 17th Street, #3410
Denver, CO 80202

# AFFIDAVIT

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

ANDREW C. MORRIS, being duly sworn, deposes and says that:

1. He is Division Landman for Enron Oil & Gas Company (successor in interest through merger to Belco Development Corporation);

2. He is familiar with the documents listed below which are located in Township 29 North, Range 112 West, Section 16: SW/4NW/4, W/2SW/4, SE/4SW/4. This involves State of Wyoming Lease 0-20914.

   (a) Assignment of Operating Rights and Working Interest dated March 5, 1971, between Amoco Production Company, as Assignor, and Chandler & Associates, Inc., as Assignee.

   (b) Assignment of Operating Rights dated October 6, 1980, but effective as of March 16, 1979, between Chandler & Associates, Inc., as Assignor, and Adobe Oil & Gas Corporation, as Assignee.

   (c) Assignment of Oil and Gas Lease dated February 26, 1986, but effective August 1, 1985, between Chandler & Associates, Inc., as Assignor, and MGF Oil Corporation, as Assignee.

   (d) Assignment of Oil and Gas Lease dated December 31, 1986, but effective May 28, 1987, between Adobe Resources Corporation, as Assignor, and Trexco Resources, Inc., as Assignee.

3. For the purposes of invoking the legal protections of constructive notice under the Wyoming recording acts of said documents listed above, attached hereto, affiant has executed this Affidavit which he will cause to be recorded in the records of the Sublette County Recorder, State of Wyoming.

Subscribed and sworn to before me this 13th day of November, 1987.

ENRON OIL & GAS COMPANY
(Successor in Interest Through Merger
to Belco Development Corporation)

By: Andrew C. Morris

Andrew C. Morris
Division Landman
"AFFIANT"

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 13th day of November, 1987 by Andrew C. Morris.

Witness my hand and official seal.

My Commission Expires 5-17-88

Notary Public
Cheryl A. Haugen

Address: 1801 California Street
Suite 4800
Denver, Colorado 80202

0938H

218829

RECORDED Nov. 19 19 87 1230 P M.
IN BOOK 80 O&G PAGE 419
FEES $32.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

Effectiv[redacted] [redacted] [redacted] 001909

Form Ml-2

Reg 17

# STATE OF WYOMING
# DEPARTMENT OF PUBLIC LANDS
# OIL AND GAS LEASE INTEREST ASSIGNMENT

NOTE: ALL ASSIGNMENTS MUST MEET THE REQUIREMENTS ON PAGE 4 OF THIS FORM

OIL & GAS LEASE SERIAL NUMBER 0-20914, effective August 16, 19 56, described as follows:

T-29-N, R-112-W
Sec 16: All

County Sublette Total Acres 640

---

ASSIGNOR, Adobe Resources Corporation,

with address at 300 West Texas, Suite 1100

Midland, Texas 79701,

being the owner of see below percent Divided Leasehold interest in
(undivided leasehold/divided leasehold/overriding royalty)
this lease, described more particularly as:

T-29-N, R-112-W, Sec 16: W/2 -22.5% - Surface to 4600' ✓
SE/4 -7.499%- Surface to base of Mesaverde
SE/4 -5.625%- Surface to 4600'
NE/4 -3.751%- Surface to base of Mesaverde
NE/4 -2.813%- Surface to 4600'

for good and valuable consideration, hereby assigns to:

(1) Trexco Resources, Inc., assignee, with address at:

330 Grant Street, Suite 2900, Pittsburgh, PA 15219,

100 percent of assignor's right, title and interest in the lease;

(2) _____, assignee, with address at:

_____,

" percent of assignor's right, title and interest in the lease;

(3) _____, assignee, with address at:

_____,

_____ percent of assignor's right, title, and interest in the lease,

(totaling see above percent of full leasehold interest), insofar as it covers the following described land:

Same as Divided interest shown above

containing 640 acres, more or less, and reserving unto assignor *see attached

_____

_____.

This assignment is subject to any overriding royalty previously reserved or conveyed. Assignor and assignee expressly agree that assignments and reservations of overriding royalties or production payments which create a cost-free interest that, when added to any cost-free interests previously reserved or conveyed, exceed five percent (5%) of the gross production, then at least one-half (½) of such interest exceeding five percent (5%) will be paid to the State of Wyoming by the assignor. It is also expressly agreed that any overriding royalty exceeding in the aggregate five percent (5%) may be cancelled by the Land Board if it finds such override creates a burden on lease operations or development.

TO HAVE AND TO HOLD unto assignee, it successors and assigns, subject to the terms and conditions of said lease. The grants and reservations in this assignment extend to any reissue lease, substitute lease, or new lease issued in lieu thereof with full effect.

IN WITNESS WHEREOF, this instrument is signed this 23rd day of December, 19 86.

ADOBE RESOURCES CORPORATION
Assignor - Lessee

WITNESS:

Shannon Duncan

By: _____
Title: H. R. Holcomb, Vice President

Attest:

By: Tim G. Culp
Tim G. Culp, Assistant Secretary

Assignment Effective Date: MAY 28, 1987 December 31, 1986

ACKNOWLEDGEMENT (For use by Individual)

State of _____ )
) ss.
County of _____ )

On this _____ day of _____, 19 _____, before me personally appeared _____, to me known to be the person who executed the foregoing instrument, acknowledged that he executed the same as his free act and deed.

Witness my hand and seal this _____ day of _____, 19____.

_____
Notary Public

My Commission expires: _____

ACKNOWLEDGEMENT (For use by Corporation)

State of Texas )
) ss.
County of Midland )

On this 24th day of December, 19 86, before me personally appeared H. R. Holcomb, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Adobe Resources Corporation and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and said H. R. Holcomb acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 24th day of December, 1986.

Terri Dyer
Notary Public

My Commission expires: 7-2-90

Verified with state this approval Date. DM

Assignment approved by the Commissioner of Public Lands: MAY 28, 1987 without binding the State for the payment of any overriding royalty.

(Fee for recording this form of assignment is $20.00. If other terms are desired incorporated in the assignment, signed copies of same should be forwarded to Commissioner of Public Lands in duplicate, as one copy is retained for the office record.)

LEASE S IAL NO. [redacted] 26914

# STATE OF WYOMING
# DEPARTMENT OF PUBLIC LANDS
# OIL AND GAS LEASE INTEREST ASSIGNMENT

## ASSIGNEE CERTIFICATION AND AGREEMENT

Assignee certifies that assignee is of required age to hold a State lease interest and is a citizen of the United States. Assignee certifies that applicable filings with the Secretary of State for qualification to transact business in the State of Wyoming have been effected, and approved by that office.

Assignee is an ____ Individual

____ General Partnership

____ Limited Partnership

_X_ Corporation.

Assignee agrees that, upon approval of this assignment by the Commissioner of Public Lands, assignee will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including but not limited to, the obligation to pay all rentals and royalties due and accruing to said lease, to properly abandon all wells, to restore the leased land upon completion of any operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable rules and regulations of the Board of Land Commissioners.

Designated responsible party for all lease rental payments, royalty payments, and correspondence:

TREXCO RESOURCES, INC. Attn: Land Manager

Address: c/o Equitable Resources Energy Company

330 Grant Street, Suite 2900, Pittsburgh, PA 15219

Telephone: (412) 261-6900

John G. Caldwell

Assignee's Signature

John G. Caldwell, Executive V.P.

Same as Designated Responsible Party

Assignee's Address

December 31, 1986

Date

ATTEST/~~WITNESS~~: H. E. Reich, Jr

Asst. Secretary

# ASSIGNMENT REQUIREMENTS

NOTE: Assignments are not valid until approved by the Commissioner of Public Lands as per State Oil and Gas Lease Terms and Rules and Regulations Governing Leasing of Subsurface Resources, March 1, 1982. Assignments which do not meet the requirements listed below and those in the Lease and Rules will be returned unapproved.

1. This form must be completed and submitted for approval of any assignment of State Oil and Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and overriding royalty interest. (Leasehold interest is considered synonymous with "working interest" and "operating interest".)

   a. Assignments of 100% leasehold interest in separate tracts, formations, or deposits in any part of the lease segregate that part from the original leasehold interest, and a separate lease will be issued therefor with the assignee becoming the lessee responsible for all lease obligations thereon. Such assignments do not preempt assignor's development rights in any unassigned formations, zones or deposits thereunder.

   b. Assignments of less than 100% leasehold interest undivided or divided, do not relieve the assignor of the obligations as a lessee under the terms of the lease regarding the interest conveyed unless the State first has in hand, a written agreement to be bound as lessee for all obligations under the lease for the assigned portion from the assignee. This requirement should not be construed in any way as a release or recision of the obligations of any surety bonding parties under the requirements of the State oil and gas lease or this assignment. (All lessees are ultimately responsible for performance under the lease, and default subjects the entire lease to forfeiture not just the interest related to any performance obligation considered to be in default.)

2. This form may be used only for a maximum of three (3) assignees in the assignment of leasehold and overriding royalty interest for the same lease.

3. A signed original and one copy of each assignment, including "Assignee Certification and Agreement" page, must be filed with the Wyoming Commissioner of Public Lands. A $20.00 nonrefundable filing fee must accompany each assignment form. Copies should be directed to the Assignment Division, Department of Public Lands.

4. Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Commissioner. If a bond is necessary, it must be furnished before assignment approval, and in no case can drilling operations begin without the lessee of record first providing a bond.

5. If there is more than one party in interest to this assignment, then all such parties in interest must submit completed "Assignee Certification and Agreement" pages before assignment approval. (Additional assignees may detach from form and submit this document by itself.)

6. The appropriate description of the conveyed lands must be given.

7. Assignments creating a new lease subject to the rules and regulations governing all State of Wyoming Oil and Gas Leases do not change the terms and conditions of the original lease, the lease anniversary date, nor the obligations and anniversary date of the lease created therefrom being considered as if it had been issued on the effective date of the original lease.

8. Lease copies pertaining to this assignment may be obtained from the assignor.

9. When there is more than one lessee of undivided interest in the assigned lease, a designation on page 3 hereof naming one of them to act on behalf of the others for rental payment, royalty payment, and correspondence must be furnished prior to assignment approval.

10. Corporations and limited partnerships must be qualified with the Secretary of State's Office. General Partnership Papers are required to be filed with the Commissioner of Public Lands.

11. Assignments will not be considered for approval where assignor currently has a delinquent (late) royalty or rental payment obligation.

12. Assignments must be received by the Commissioner for approval within ninety (90) days of the date of the conveyance.

EXHIBIT "A"

Attached to and made a part of "Assignment Affecting Record Title to Oil and Gas Lease" from Adobe Resources Corporation to Trexco Resources, Inc.

In addition to all overriding royalties and production payments previously reserved or conveyed, if any, Adobe Resources Corporation excepts herefrom and reserves unto itself, its successors and assigns, an aggregate Five Million Dollar ($5,000,000) production payment payable as follows:

On Oil

Payable out of one-half (1/2) of the proceeds received (i.e. posted or contract price as adjusted for quality less any required costs of transportation, processing or other costs to market) by Assignee, its successors and assigns, in excess of Twenty Dollars ($20.00) per barrel. Example: If Assignee received for oil $22.00 per barrel, Assignor would receive $1.00 per barrel to be applied on its production payment,

On Gas

Payable out of one-half (1/2) of the proceeds received (i.e. posted or contract price as adjusted for quality less any required costs of transportation, processing or other costs to market) by Assignee, its successors and assigns, in excess of Two Dollars and 50/100 ($2.50) per MCF. Example: If Assignee received for gas $3.50 per MCF, Assignor would receive $0.50 per MCF to be applied on its production payment.

This production payment shall terminate and be of no further force and effect upon the earlier to occur of the following events: (i) the payment to Assignor of the sum of an aggregate Five Million Dollars ($5,000,000) from the properties to which said production payment applies as defined in that certain Asset Purchase and Sale Agreement dated as of 12/30/86 between the parties hereto or (ii) the lapse of 15 years from January 1, 1987.

This production payment shall be paid by Assignee annually with each payment being made within 90 days after the expiration of each calendar year. Each payment shall be accompanied with a comprehensive statement reflecting the manner in which the amount of such payment was calculated and determined. After receipt of the annual payment Assignor shall have the right to audit the accounts of Assignee with respect to the manner in which the amount of the payment was determined.

This production payment shall extend to, and be covered by, all extensions and renewals of the subject lease, shall bear its proportionate part of all gross production taxes or other applicable taxes, and shall be binding upon the parties hereto, their successors and assigns.

This Assignment is pursuant to and made subject to the terms and conditions of the aforementioned Agreement.

EX/3-A/3-B/3-C

# ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, CHANDLER & ASSOCIATES, INC., 1860 Lincoln Street, Suite 1400, Denver, Colorado 80203, hereinafter referred to as "Assignor", for and in consideration of Ten Dollars ($10.00) and other considerations, the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto MGF Oil Corporation, 216 16th Street Mall, Suite 900, Denver, CO 80202 hereinafter rereferred to as "Assignee", SEE ATTACHED EXHIBIT "A" of its right, title and interest in and to the Oil and Gas Lease(s) set forth in Exhibit "A" attached hereto and made a part hereof, subject to the overriding royalty reservation hereinafter set out.

This Assignment is made without warranty of title either express or implied, and if Assignor's interest in the Oil and Gas Lease(s) described in Exhibit "A" is less than the entire interest, or if said lessor's interest in the leased minerals is less than the entire interest, then the above-assigned interest shall be reduced proportionately.

In the event Assignee desires to surrender said lease(s) as to all or any part of the acreage covered hereby, said Assignee agrees to notify Assignor at least thirty (30) days in advance of the anniversary date specified in said lease(s), and Assignor hereunder shall then have fifteen (15) days after receipt of such notice within which to elect to take a reassignment of said lease(s) as to the portion thereof to be relinquished. Should Assignor hereunder elect to receive such a reassignment, same will be delivered by Assignee without additional burden, prior to the anniversary date of the lease(s).

This Assignment shall be subject to and bear its proportionate part of Lessor's royalty, overriding royalty interest, production payments, or any other working interest burdens in existence as of the date hereof.

This Assignment shall be binding upon and inure to the benefit of the heirs or personal representatives, successors and assigns of the Assignor and Assignee and the covenants, agreements, conditions and obligations herein contained shall be considered as covenants, agreements, conditions and obligations running with the ownership of said lease(s) and the ownership of the oil and gas leasehold estate.

IN WITNESS WHEREOF this Instrument is executed on this 26th day of February, 19 86, but effective August 1, 1985.

FILED IN THE LEASE FILE: FILED: APRIL 25, 1986

ls/

ATTEST:

CHANDLER & ASSOCIATES, INC.

Diana G. Ley, Assistant Secretary

By: Patti McDonald Chandler

Patti McDonald Chandler, Vice President

STATE OF COLORADO }
COUNTY OF DENVER } ss.

The foregoing instrument was acknowledged before me this 26th day of February, 19 86 by Patti McDonald Chandler, as Vice President of CHANDLER & ASSOCIATES INC., a Colorado corporation.

Witness my hand and official seal.

My Commission Expires: My Commission expires March 11, 1988

Barbara Walker

Notary Public residing at:
1860 Lincoln Street, Suite 1400
Denver, Colorado 80203

[redacted]

SUITE 1400 • LINCOLN TOWER BUILDING • 1860 LINCOLN STREET
DENVER, COLORADO 80203

EXHIBIT 'A'

SPECT= 869 N. McDonald Draw — Sublette COUNTY, WY

| SE NO. | LEASE NAME | LEASE DATE | EXPIRATION DATE | NET ACRES | GROSS ACRES | LANDOWNER'S ROYALTY | INTEREST ASSIGNED MCF |
|---|---|---|---|---|---|---|---|
| 00 | State of Wyoming 0-20914 | 8-16-56 | HBU | | 640.00 | 12.50% | |
| | | | | Tract I - Township 29 North, Range 112 West<br>Section 16: W½<br>from the surface to 4,600 feet | | | 6.25% |
| | | | | Tract II - Section 16: SE¼<br>from the surface to the base of the Mesa Verde | | | 3.64563% |
| | | | | Tract III - Section 16: SE¼<br>from the base of the Mesa Verde to 4,600 feet | | | 1.5625% |
| | | | | Tract IV - Section 16: N½NE¼, SE¼NE¼<br>from the surface to the base of the Mesa Verde | | | 1.82313% |
| | | | | Tract V - Section 16: N½NE¼, SE¼NE¼<br>from the base of the Mesa Verde to 4,600 feet | | | .78125% |

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980 by and between Belco Petroleum Corporation and Chandler & Associates, Inc. as to those lands which fall within the Isenhour Unit outline. Also subject to those certain Farmout Agreements dated March 26, 1970 by and between Pan American Petroleum Corporation and Chandler & Associates, Inc. and dated February 17, 1971 by and between Amoco Production Company and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

924

9179

# ASSIGNMENT OF OPERATING RIGHTS

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, CHANDLER & ASSOCIATES, INC., 1401 Denver Club Building, Denver, Colorado 80202, hereinafter referred to as "Assignor," for and in consideration of One Dollar ($1.00) and other considerations, the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto ADOBE OIL & GAS CORPORATION, 1100 Western United Life Building, Midland, Texas 79701, hereinafter referred to as "Assignee," an undivided interest in the oil and gas operating rights under and by virtue of the Oil and Gas Lease set forth in Exhibit "A" attached hereto and made a part hereof, said interest being set forth opposite the lease on Exhibit "A," insofar as said rights pertain to the right to prospect for, operate, produce and own an undivided interest in and to the oil, gas and other hydrocarbons with depth limitations as set forth opposite the lease on said Exhibit "A" together with the rights incident thereto and the personal property thereon, appurtenant thereto or used or obtained in connection therewith.

This Assignment is made without warranty of title either express or implied, and in the event the lease set forth in Exhibit "A" covers less than the full interest in the oil and gas and other hydrocarbons, then the interest being hereby assigned shall be reduced in proportion that the interest covered by said lease bears to the full and undivided interest in the oil and gas and other hydrocarbons. Assignor hereby reserves unto itself, its successors and assigns, all rights not hereby assigned.

Assignee agrees not to release or surrender the lease and leasehold interests herein assigned without first offering to reassign such interest to Assignor. Should Assignor accept such reassignment, then Assignee shall be relieved of all future obligations with respect to the leasehold interest reassigned but Assignee shall not be relieved of any of its obligations occuring prior to the receipt by Assignor of such reassignment.

This Assignment of Operating Rights is made subject to and is governed by the terms and conditions of all prior agreements and amendments thereto, between Assginor and United Refining Company, and without limiting the generality of the foregoing, is particularly subject to and governed by the LaBarge Platform Project Agreement dated April 15, 1969, and any amendments. This Assignment of Operating Rights is further subject to all agreements of whatsoever nature, previously entered into between Assignor and Assignee, including particularly the documentation wherein Assignor consented to an Assignment from United Refining Company to Assignee. In addition, the interest herein assigned and the quantity thereof, is subject to and governed by all Division Orders, stipulations of interest or other documents executed by either United Refining Company or Assignee, and to the terms and conditions of agreements between Assignor and third parties, whether recorded or not, executed by Assignor and pertaining directly or indirectly to the lease herein assigned. And again, without limiting the generality of the foregoing, this Assignment is subject to the terms and conditions of:

(a) The original Oil and Gas Lease;

(b) All prior Assignments thereof.

This Assignment shall be subject to and bear its proportionate part of Lessor's royalty, overriding royalty interest, production payments, or any other working interest burdens in existence as of the date hereof.

This Assignment shall be binding upon and inure to the benefit of the heirs or personal representatives, successors and assigns of the Assignor and Assignee and the covenants, agreements, conditions and obligations herein contained shall be considered as covenants, agreements, conditions and obligations running with the ownership of said lease and the ownership of the Oil and Gas Leasehold Estate; however, the interest herein assigned shall not be assignable by Assignee without the written consent of Assignor, and Assignee agrees that it will not, without the prior written consent of Assignor, create any overriding royalty, payment out of production, net profits obligation or carried interest, or any other obligation which will be a burden upon said lease.

This Assignment of Operating Rights is in lieu of and not in addition to that certain Assignment of Operating Rights dated March 16, 1979.

IN WITNESS WHEREOF, Assignor has executed and delivered this Assignment of Operating Rights as of this 6th day of October, 1980, but effective as of March 16, 1979.

CHANDLER & ASSOCIATES, INC.

ATTEST:

Hubert L. White, Secretary

James R. Weber, Vice President-Exploration

JB

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 6th day of October, 1980 by James R. Weber, Vice President-Exploration for Chandler & Associates, Inc., a Colorado corporation.

Witness my hand and official seal.

Rachel F. Jaramillo
Notary Public

My Commission Expires:
My Commission Expires Aug. 26, 1984

EXHIBIT "A"

Sublette County, Wyoming

| [redacted] NO. | LESSOR | DESCRIPTION | LEASE DATE | GROSS ACRES | NET ACRES | INTEREST ASSIGNED TO ADOBE | DEPTH |
|---|---|---|---|---|---|---|---|
| [redacted]/9179-00 | State of Wyoming 0-20914 | Township 29 North, Range 112 West | 8-16-56 | 640.00 | 640.00 | | |
| | | TRACT I - Section 16: W½ | | | | 75% of 30% of 100% | 0' to 4600' |
| | | TRACT II- Section 16: SE¼ | | | | 75% of 30% of 33.33% | 0' to base of Mesaverde |
| | | | | | | 75% of 30% of 25% | 0' to 4600' |
| | | TRACT III-Section 16: NE¼ | | | | 75% of 30% of 16.67% | 0' to base of Mesaverde |
| | | | | | | 75% of 30% of 12.5% | 0' to 4600' |

429

STATE OF WYOMING )
: SS.
COUNTY OF SUBLETTE )

ASSIGNMENT OF OPERATING RIGHTS AND WORKING INTEREST

KNOW ALL MEN BY THESE PRESENTS:

That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, AMOCO PRODUCTION COMPANY, a Delaware corporation with an office in Denver, Colorado, hereinafter referred to as "Assignor" or as "Amoco", hereby does bargain, sell, assign, transfer and convey unto CHANDLER & ASSOCIATES, INC., its successors and assigns, hereinafter referred to as "Assignee", an undivided one-half (1/2) of the leasehold operating rights and working interests from the surface to 100 feet below the stratigraphic equivalent of 4500 feet, in and under the following described land in Sublette County, Wyoming, to wit:

Township 29 North, Range 112 West
Section 16: E/2NW/4, NW/4NW/4, SW/4

Under and by virtue of the following described oil and gas lease, to wit:

| | |
|---|---|
| Lessor: | State of Wyoming |
| Lessee: | Bruce Anderson |
| Serial No.: | 0-20914 |
| Date: | August 16, 1956 |
| Recorded: | Book 16, Page 86, Sublette County, Wyoming |

(said leasehold rights and interest in said land to the depth hereinabove last referred to hereinafter are referred to herein as "lease acreage"), subject to the following terms, covenants and conditions:

1. The lease acreage covered hereby is assigned by the Assignor and accepted by the Assignee subject to the overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production which are of record and with

which said lease acreage is encumbered; and the Assignee hereby assumes and agrees to pay, perform or carry, as the case may be, all of said overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production, to the extent that it is or remains a burden on the lease acreage herein assigned.

2. In addition to any and all other overriding royalties, production payments and other encumbrances to which said lease acreage may be subject, the Assignor hereby excepts and reserves unto itself, its successors or assigns, the following overriding royalty:

(a) One-eighth of eight-eighths (1/8 of 8/8) of all oil, distillate, condensate and other liquid hydrocarbons produced and saved from said lease acreage under said lease, or any extension or renewal thereof, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells on said lease acreage or, at the Assignor's option, to the credit of the Assignor into the pipe line to which said well or wells may be connected;

(b) One-eighth of eight-eighths (1/8 of 8/8) of all gas and casinghead gas produced and saved from said lease acreage under said lease, or any extension or renewal thereof, the market value (at the well) of which shall be paid to the Assignor free of all cost and expense, except taxes on production.

3. With respect to the overriding royalty herein excepted and reserved by the Assignor, the Assignor and the Assignee agree, as follows:

(a) That oil and gas used in drilling and operations on said lease acreage and in the handling of production therefrom shall be deducted before said overriding royalty is computed.

(b) That the Assignee shall furnish to the Assignor authentic itemized monthly reports of all production from said lease acreage, such reports to be mailed not later than the fifteenth day of the month following that for which the report is made.

[redacted] [redacted] [redacted]

(c) That in the event this Assignment of Operating Rights and Working Interest covers less than all the oil and gas mineral rights in and to the land described in said lease and covered by this assignment, said overriding royalty as to such Assignment and insofar as it pertains to oil, distillate, condensate, other liquid hydrocarbons, gas and casinghead gas, shall be proportionately reduced so as to be equal to that proportion of one-eighth of eight-eighths (1/8 of 8/8) of said production which the interest in and to said oil and gas mineral rights in the land described in and covered by this Assignment bears to the full and undivided oil and gas mineral estate therein.

4. The operating rights and working interest in the lease acreage covered hereby are assigned by the Assignor and accepted by the Assignee subject to the Long Island Unit Agreement and Long Island Unit Operating Agreement, both dated May 1, 1959.

5. In the event that the Assignee should elect to surrender, let expire, abandon or release all or any of its rights in said lease acreage, or any part thereof, the Assignee shall notify the Assignor not less than thirty (30) days in advance of such surrender, expiration, abandonment or release and, if requested so to do by the Assignor, the Assignee immediately shall reassign such rights in said lease acarege, or such part thereof, to the Assignor.

6. This assignment is made subject to all the terms and the express and implied covenants and conditions of said lease, to the extent of the rights hereby assigned, which terms, covenants and conditions the Assignee hereby assumes and agrees to perform with respect to the lands covered hereby. Said terms, covenants and conditions insofar as the said lease acreage is concerned, shall be binding on the Assignee, not only in favor of the lessor and its successors and assigns, but also in favor of the Assignor and its successors and assigns.

7. All notices, reports and other communications required or permitted hereunder, or desired to be given with respect to the rights or interests herein assigned or reserved, shall be deemed to have been properly given or delivered when delivered personally or when sent by certified mail or telegraph, with all postage or charges fully prepaid, and addressed to the Assignor and Assignee, respectively, as follows:

Assignor: Amoco Production Company
Security Life Building
Denver, Colorado 80202

Assignee: Chandler & Associates, Inc.
1401 Denver Club Building
Denver, Colorado 80202

8. This Assignment is made without warranty of any kind.

9. The terms, covenants and conditions hereof shall be binding upon, and shall inure to the benefit of, the Assignor and the Assignee and their respective successors or assigns; and such terms, covenants and conditions shall be covenants running with the lands herein described and the lease acreage herein assigned and with each transfer or assignment of said land or lease acreage.

TO HAVE AND TO HOLD said lease acreage unto the Assignee, its successors and assigns, subject to the terms, covenants and conditions hereinabove set forth.

EXECUTED, this 5th day of March, 1971.

AMOCO PRODUCTION COMPANY

By: _____
Its Attorney in Fact

STATE OF COLORADO )
: SS.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me by T. S. YANCEY, as Attorney in Fact for AMOCO PRODUCTION COMPANY, this 5th day of March, 1971.

WITNESS my hand and official seal.

_____
Notary Public

My commission expires:
Commission expires Dec. 14, 1974

Security Life Building
Denver, Colorado

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST IN

U. S. OIL AND GAS LEASE

W-82288

This Overriding Royalty Assignment, made this 4th day of November, 19 87, by and between

Liberty Petroleum Corporation

whose address is 200 West 58th Street, New York, New York 10019

hereinafter called Lessee; and Bruce C. Martens (.3333%) & Charles W. Peck (.1667%)

P. O. Box 8348 P. O. Box 8348

Denver, Colorado 80201 Denver, Colorado 80201

hereinafter called Assignee:

Witnesseth:

Whereas, Lessee is the owner of an overriding royalty in that certain Oil and Gas Lease by the United States of America, dated Feb 1, 19 83

bearing Serial No. W-82288, of the U. S. Land & Survey Office, at Cheyenne, Wyoming

which lease, in so far as covered by this Royalty Assignment, contains the following described lands (hereinafter referred to as said lands), situated in

Sublette County, State of Wyoming, towit:

Township 29 North, Range 109 West, 6th PM

Section 15: E½

Containing 320.00 Acres, more or less

218880

RECORDED Nov. 19 1987 12:30 P M

IN BOOK 80 O&G PAGE 434

FEES $4.25 Mary L. Lankford COUNTY CLERK

SUBLETTE COUNTY, PINEDALE, WYOMING

By: Mary Riley

NOW, Therefore, in consideration of the premises and the sum of ten and no/00 Dollars, and other valuable consideration, receipt whereof is hereby acknowledged, the undersigned, Lessee, hereby sells, conveys, transfers, assigns and sets over unto Assignee, their heirs and assigns, an overriding royalty interest of 1/2 of 1% of 8/8ths (one-half of one percent of eight-eighths) in the proportions as set out above

of all of the Oil and Gas and other hydrocarbon substances in place and which may be produced, saved and marketed from said lands, free and clear of all costs or expense to Assignee.

This Overriding Royalty Assignment shall be subject to term of the lease.

The provisions hereof shall inure to and be binding upon the parties hereto, their heirs, assigns, personal representative and successors, and said overriding royalty interest herein reserved to Assignee shall run with said leasehold and all renewals and extensions thereof and all preference-right and substitute leases granted thereon, whether under said serial number or a new serial number, and whether issued to Lessee or Lessee's successors or assigns.

IN WITNESS WHEREOF, Lessee has executed and delivered this overriding royalty assignment to Assignee, in triplicate, this day and year first above written.

Liberty Petroleum Corporation
Gregor Klurfeld - President
Lessee

ACKNOWLEDGMENT

Single or Married

STATE OF NEW YORK
COUNTY OF NEW YORK } ss:

On this 4th day of November, 1987, before me personally appeared Gregor Klurfeld,

President of Liberty Petroleum Corporation

to me known to be the person (or persons) described in and who executed the foregoing instrument and acknowledged that he (or she or they) executed the same as his (or her or their) free act and deed, including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and effect of signing and acknowledging the said instrument.

Given under my hand and seal the day and year in the certificate first above written.

Irene I. Ready
Notary Public

My Commission expires on the 30th day of September, A.D., 1989.

IRENE I READY
Notary Public, State of New York
No. 43-4707213
Qualified in Richmond County
89

434

435

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST IN
U. S. OIL AND GAS LEASE
W-100901

This Overriding Royalty Assignment, made this 4th day of November, 19 87, by and between

Liberty Petroleum Corporation

whose address is 200 West 58th Street, New York, New York 10019

hereinafter called Lessee; and, Bruce C. Martens (.3333%) & Charles W. Peck (.1667%)

P. O. Box 8348 P. O. Box 8348

Denver, Colorado 80201 Denver, Colorado 80201

hereinafter called Assignee:

Witnesseth:

Whereas, Lessee is the owner of an overriding royalty in that certain Oil and Gas Lease by the United States of America, dated Oct 1, 19 87

bearing Serial No. W-100901, of the U. S. Land & Survey Office, at Cheyenne, Wyoming

which lease, in so far as covered by this Royalty Assignment, contains the following described lands (hereinafter referred to as said lands), situated in

Sublette County, State of Wyoming, towit:

Township 28 North, Range 108 West, 6th PM

Section 12: All
Section 13: All
Section 14: N½, N½SW¼, SE¼SW¼, SE¼
Section 24: All

Containing 2520.00 acres, more or less

RECORDED Nov. 19 19 87 2:32 PM
IN BOOK 80 O&G PAGE 435
FEES 4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mare Riley

218881

NOW, Therefore, in consideration of the premises and the sum of ten and no/00 Dollars, and other valuable consideration, receipt whereof is hereby acknowledged, the undersigned, Lessee, hereby sells, conveys, transfers, assigns and sets over unto Assignee, their heirs and assigns, an overriding royalty interest of 1/2 of 1% of 8/8ths (one-half of one percent of eight-eighths) in the proportions as set out above

of all of the Oil and Gas and other hydrocarbon substances in place and which may be produced, saved and marketed from said lands, free and clear of all costs or expense to Assignee.

This Overriding Royalty Assignment shall be subject to term of the lease.

The provisions hereof shall inure to and be binding upon the parties hereto, their heirs, assigns, personal representative and successors, and said overriding royalty interest herein reserved to Assignee shall run with said leasehold and all renewals and extensions thereof and all preference-right and substitute leases granted thereon, whether under said serial number or a new serial number, and whether issued to Lessee or Lessee's successors or assigns.

IN WITNESS WHEREOF, Lessee has executed and delivered this overriding royalty assignment to Assignee, in triplicate, this day and year first above written.

Liberty Petroleum Corporation
Gregor Klurfeld - President
Lessee

STATE OF NEW YORK )
) ss:
COUNTY OF NEW YORK )

ACKNOWLEDGMENT
Single or Married

On this 4th day of November, 19 87, before me personally appeared Gregor Klurfeld,

President of Liberty Petroleum Corporation

to me known to be the person (or persons) described in and who executed the foregoing instrument and acknowledged that he (or she or they) executed the same as his (or her or their) free act and deed, including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and effect of signing and acknowledging the said instrument.

Given under my hand and seal the day and year in the certificate first above written.

Irene J. Leady
Notary Public

My Commission expires on the 30th day of September, A.D., 19 89.

[redacted]

[redacted]

IRENE J. LEADY
Notary Public, State of New York
[redacted]

[redacted] [redacted]

WY-307, [redacted] ield
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. This Assignment is made without representation or warranty of title, either express or implied.

4. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

5. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

218892

RECORDED Nov. 20 19 87 9:30 AM
IN BOOK 80 O&G PAGE 436
FEES $ 14.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mae Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of May 1, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz
Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLORADO

By: Donald L. Peterson
~~Joseph C. Mencin~~
~~Agent and Attorney in Fact~~
Donald L. Peterson, President

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin
Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS LIMITED

By: _____

ATTEST:

DAKEL COMPANY

By: _____ By: _____

ENERGY ASSOCIATES N.W. 1978-A

By: _____

ATTEST:

ENERGETIC 1978 LIMITED PARTNERSHIP, BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By: _____ By: _____
Lou Switzer, Assistant Secretary J. Thomas Reagan, President

D&R ENERGY PROGRAM 1978

By: _____

TONI ROSEN TRUST 1978

By: _____
Burton G. Ross, Trustee

ATTEST:

BACKER RESOURCES, INC.

By: _____ By: _____

BOETTCHER MANAGEMENT 1978 DRILLING
PROGRAM

By: _____

[redacted] [redacted] [redacted]

ATTEST:

By:_____

ATTEST:

By:_____

SPACE RESOURCES, INC.

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ATTEST:

By:_____

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

STATE OF MINNESOTA )
) SS.
COUNTY OF HENNEPIN )

The foregoing instrument was acknowledged before me this 30th day of October, 1987, by Burton G. Ross, as Trustee of the Toni Rosen 1978 Trust.

Witness my hand and official seal.

My commission expires: 4-6-91

Carol A. Dufault
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
MY COMMISSION EXPIRES APR. 6, 1991

Notary Public

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MAY 1, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| Energy Associates N. W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | 1.5000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 13.9000% |
| Boettcher Management 1978 Drilling Program<br>828-17th street<br>P. O. Box 54<br>Denver, Colorado 80202 | 7.5000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 5.0250% |
| Burton G. Ross, Trustee for the Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .6000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 4.1250% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 24.0000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.0000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 5.3098% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 5.3098% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.8912% |
| * Energetics, Inc. a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 16.8000% |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive #3112<br>Englewood, Colorado 80111-5112 | .3892% |
| Guaranty Capital Investors Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 6.6947% |
| Dakel Company<br>P.O. Box 2187, Loop Station<br>[redacted], Minnesota 55402 | .9553% |

# EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective May 1, 1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4, NE¼<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the base of the Almy formation down to all depths. | Not Available |

4446

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

WY-307, Russ Field

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of April 30, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson MS

~~Joseph C. Henein~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLO.

218893

RECORDED Nov. 20 IN 87 9:30 A.M.
IN BOOK 80 O&G PAGE 442
FEES $20.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

ASSIGNEES

ATTEST:

ENERGETICS 1979 YEAR-END LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____ By:_____

D&R ENERGY PROGRAM 1979 YEAR-END

By:_____

ENERGY ASSOCIATES N.W. 1978-A

By:_____

ATTEST:

ENERGETICS 1978 LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____ By:_____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By:_____

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

SPACE RESOURCES, INC.

By:_____ By:_____

ATTEST:

BACKER RESOURCES, INC.

By:_____ By:_____

ATTEST:

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

ATTEST:

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

By:_____

J. E. BRAAS

_____

KENT R. ELLISON

_____

DOUGLAS H. SMITH

_____

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____

By:_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

COUNTY OF COLORADO )
)ss
STATE OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____

_____

COUNTY OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1978 Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____

_____

STATE OF MINNESOTA )
) SS.
COUNTY OF HENNEPIN )

The foregoing instrument was acknowledged before me this 30th day of October, 1987, by Burton G. Ross, as Trustee of the Toni Rosen 1978 Trust.

WITNESS my hand and official seal.

My commission expires: 4-6-91

Carol L. Dufault
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY

Carol L. Dufault
Notary Public
Residing at: St. Paul, Minnesota

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, eff. April 30, 1984, between Energetics Operating Company and Energetics 1979 Year-End Limited Partnership, et al.

| | |
|---|---|
| * Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 17.82000000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 10.35000000% |
| Energy Associates N.W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | .60000000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.56000000% |
| Boettcher Management 1978 Drilling Program<br>828-17th Street<br>P. O. Box 54<br>Denver, Colorado 80202 | 3.00000000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 2.01000000% |
| Burton G. Ross, Trustee for the<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .24000000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 1.650000000% |
| Backer Resources, Inc.<br>P. O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C. Canada V7Y 1G5 | 9.60000000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 2.00000000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.12392000% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 2.12392000% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.15648000% |

* SEE RIDER ATTACHED.

| | |
|---|---|
| * Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 22.35000000% * |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .15568000% |
| J. E. Brass<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .12929544% |
| Kent R. Ellison<br>711 Vanadlia Street<br>St. Paul, Minnesota 55114 | .12929544% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55429 | .08619696% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 18.53521216% |
| Dakel Company<br>P. O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .38000000% |

* SEE RIDER ATTACHED.

EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective April 30,1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the baee of the Almy formation. | Not Available |

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective April 30, 1984, by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

451

Federal 42-11
WY-307

# ASSIGNMENT OF OVERRIDING ROYALTY TO MULTIPLE ASSIGNEES

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Ave., Ste 133, Englewood, Co 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter collectively referred to as "ASSIGNEE") as set out beside their respective names, an undivided overriding royalty interest free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom. Said overriding royalty interest shall be a total of 6.25% of 8/8ths of all revenue payable from the production of all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed from the oil and gas leases described in Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover those lands situated in Sublette County, Wyoming.

218294

RECORDED Nov 20 19 87 9:04 AM
IN BOOK 80 PAGE 451
FEES $16.00 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Kilby

| | |
|---|---|
| * Energetics Inc., a Delaware corp.<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.0500000% |
| Energy Associates N.W. '78-B<br>1215 Norton Building<br>801 - 2nd Avenue<br>Seattle, Washington 98104 | .0937500% |
| Burton G. Ross, Trustee<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .0375000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | .257813% |
| Backer Resources, Inc.<br>P.O. Box 10354<br>1040-609 Granville Street<br>Vancouver, B.C., Canada V7Y 1G5 | 1.5000000% |
| Energetics 1978B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .3125000% |

* SEE RIDER ATTACHED.

[redacted] [redacted] [redacted]

| | |
|---|---|
| **Robert L. Mehl**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | .3318620% |
| **Patrick D. Maher**<br>13275 E. Fremont Place, Suite 203<br>**Englewood, Colorado 80112** | .3318620% |
| **Jordan R. Smith**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | .1807000% |
| **D & R Energy Program 1978**<br>430 International Centre<br>900 Second Avenue South<br>**Minneapolis, Minnesota 55416** | .3140630% |
| **Boettcher Management 1978 Drilling Program**<br>**828 - 17th Street**<br>**Denver, Colorado 80201** | .4687500% |
| **Energetics 1978 Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .8687500% |
| **Dakel Company**<br>P.O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .0597050% |
| **Guaranty Capital Investors, Ltd.**<br>**200 Transwestern II Building**<br>**P.O. Box 31515**<br>**Billings, Montana 59107-1515** | .4184200% |
| **Rocky Mountain Oilfinders, Inc.**<br>6060 S. Willow Drive, #3112<br>**Englewood, Colorado** 80111-5112 | .0243250% |

TO HAVE AND TO HOLD the interest transferred and assigned unto Assignee, its heirs, devisees, personal representatives, successors and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. Assignor reserves the right, without consent of Assignee, to pool, unitize or otherwise combine all or any portion of said leases and the overriding royalty interest herein conveyed, with any other leases covering other lands in the vicinity thereof. In the event Assignor shall enter into any such pooling, unitization or other arrangement, Assignee's overriding royalty interest share shall be ascertained, computed and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

5. This Assignment of Overriding Royalty is made subject to the terms and conditions of the Farmout Agreement dated May 1, 1980, between Energy Associates N.W. '78 et al, as Farmor and MM&S Partners, et al as Farmees.

This instrument shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production of the Federal #42-11 Well and if executed by less than all of the Assignees, is still in full force and effect only as to those Assignees executing this Assignment.

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By Donald L. Peterson

~~Joseph C. Menein~~
~~Agent and Attorney In Fact~~
Donald L. Peterson, President

ENERGY ASSOCIATES N.W. '78-B

By _____

BURTON G. ROSS, TRUSTEE

By Burton G Ross

SPACE RESOURCES, INC.

By _____

BACKER RESOURCES, INC.

By _____

ENERGETICS 1978B LIMITED PARTNERSHIP

By _____

ROBERT L. MEHL

By _____

PATRICK D. MAHER

By _____

JORDAN R. SMITH

By _____

D & R ENERGY PROGRAM 1978

By _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By _____

ENERGETICS 1978 LIMITED PARTNERSHIP

By _____

DAKEL COMPANY

By _____

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin, Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS, LTD.

By _____

ROCKY MOUNTAIN OILFINDERS, INC.

By _____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this ____ day of _____, 1984, by Joseph C. Mencin, Agent and Attorney-in-Fact of ENERGETICS, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires:

_____

Notary Public

Residence: _____

_____

STATE OF MINNESOTA )
) SS.
COUNTY OF HENNEPIN )

The foregoing instrument was acknowledged before me this 30th day of October, 1987, by Burton G. Ross, Trustee of the Toni I. Rosen Trust 1978.

WITNESS my hand and official seal.

My commission expires:

4-6-91

Carol A. Dufault
Notary Public

Residence: So. Paul, Minnesota

Carol A. Dufault
NOTARY PUBLIC MINNESOTA
RAMSEY COUNTY

Exhibit "A"

Attached to and made a part of the certain Assignment of Overriding Royalty by and between Energetics Operating Company and Energetics, Inc., a Delaware corporation, et al.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

456

# RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| ASSIGNOR | ASSIGNEE | Sublette County, Wyoming RECORDING INFORMATION DATE | BOOK | PAGE |
|---|---|---|---|---|
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

[redacted] [redacted] [redacted]

# AFFIDAVIT

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

ANDREW C. MORRIS, being duly sworn, deposes and says that:

1. He is Division Landman for Enron Oil & Gas Company;

2. He is familiar with the document listed below, which covers lands in Township 29 North, Range 112 West, Section 16: SW/4NW/4, W/2SW/4, SE/4SW/4 and Section 17: NE/4, N/2SE/4, SE/4SE/4, SE/4NW/4, NE/4SW/4, SE/4SW/4, SW/4SE/4, Sublette County, Wyoming.

   (a) Certificate of Merger of Oxoco Exploration Corp. (a Texas Corporation) and Oxoco-Texas, Inc. (a Texas Corporation) into Oxoco Exploration & Production, Inc. (a Delaware Corporation).

This document is attached as Exhibit "A" to this Affidavit.

3. For the purposes of invoking the legal protections of constructive notice under the Wyoming recording acts of said document listed above, attached hereto, affiant has executed this Affidavit which he will cause to be recorded in the records of the Sublette County Recorder, State of Wyoming.

ENRON OIL & GAS COMPANY

By: Andrew C. Morris
Andrew C. Morris
Division Landman
"AFFIANT"

Subscribed and sworn to before me this 17th day of November, 1987.

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 17th day of November, 1987 by Andrew C. Morris.

Witness my hand and official seal.

5-17-88
My Commission Expires

Cheryl A Haugen
Notary Public
Cheryl A. Haugen

Address: 1801 California Street
Suite 4800
Denver, Colorado 80202

0950H

218906

RECORDED Nov. 23 1987 10:30 AM
IN BOOK 80 Oil & G PAGE 458
FEES $ 14.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

EXHIBIT "A"

CERTIFICATE OF MERGER

OF

OXOCO EXPLORATION CORP.

(a Texas corporation)

OXOCO PRODUCTION CORP.

(a Texas corporation)

and

OXOCO-TEXAS, INC.

(a Texas corporation)

into

OXOCO EXPLORATION & PRODUCTION, INC.

(a Delaware corporation)

The undersigned corporation does hereby certify:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

| NAME | STATE OF INCORPORATION |
|---|---|
| OXOCO Exploration Corp. | Texas |
| OXOCO Production Corp. | Texas |
| OXOCO-Texas, Inc. | Texas |
| OXOCO Exploration & Production, Inc. | Delaware |

SECOND: That a Merger Agreement, dated as of April 1, 1983, between the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations in accordance with the requirements of

subsection (c) of Section 252 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation of the merger is OXOCO Exploration & Production, Inc., a Delaware corporation.

FOURTH: That the Certificate of Incorporation of OXOCO Exploration & Production, Inc., a Delaware corporation, shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Merger Agreement, dated as of April 1, 1983, is on file at the principal place of business of the surviving corporation. The address of said principal place of business is 600 Woodway Tower, 4900 Woodway Drive, Houston, Texas 77056.

SIXTH: That a copy of the Merger Agreement, dated as of April 1, 1983, will be furnished by the surviving corporation, on request and without cost, to any stockholder of any constituent corporation.

SEVENTH: That the authorized capital stock of each constituent corporation which is not a corporation of this State is as follows:

| NAME | AUTHORIZED CAPITAL STOCK |
|---|---|
| OXOCO Exploration Corp. | 10,000,000 shares of Common Stock $.01 par value |

OXOCO Production Corp. — 10,000,000 shares of Common Stock $.01 par value

OXOCO-Texas, Inc. — 1,000 shares of Common Stock $1.00 par value

OXOCO EXPLORATION & PRODUCTION, INC.

BY: D B Christensen
President

ATTEST:

By: Elizabeth C Hansen
Secretary

# The State of Texas

## *SECRETARY OF STATE*

**CERTIFICATE OF MERGER**
**OF DOMESTIC AND FOREIGN CORPORATIONS**
**INTO**

OXOCO EXPLORATION & PRODUCTION, INC.

The undersigned, as Secretary of the State of Texas, hereby certifies that Articles of Merger of

| | |
|---|---|
| OXOCO EXPLORATION CORP. | CH. #548297-0 |
| OXOCO PRODUCTION CORP. | CH. #564045-0 |
| OXOCO-TEXAS, INC. | CH. #338740-0 |

INTO

| | |
|---|---|
| OXOCO EXPLORATION & PRODUCTION, INC. | DELAWARE CORP. |

duly signed and verified pursuant to the provisions of the Texas Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Merger and attaches hereto a copy of the Articles of Merger.

Dated April 22, 1983

Secretary of State

462

# State of Delaware

# Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER OF "OXOCO EXPLORATION CORP.", "OXOCO PRODUCTION CORP." AND " OXOCO-TEXAS, INC." CORPORATIONS ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF TEXAS MERGING WITH AND INTO "OXOCO EXPLORATION & PRODUCTION, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE UNDER THE NAME OF "OXOCO EXPLORATION & PRODUCTION, INC." AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-SECOND DAY OF APRIL, A.D. 1983, at 12:45 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE.

Michael Harkins, Secretary of State

AUTHENTICATION: 0431795

DATE: 02/05/1985

725036108

[redacted] [redacted] [redacted]

# AFFIDAVIT

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

ANDREW C. MORRIS, being duly sworn, deposes and says that:

1. He is Division Landman for Enron Oil & Gas Company (successor in interest through merger to Belco Development Corporation);

2. He is familiar with the documents listed below which are located in Township 29 North, Range 112 West, Section 17: SE/4NE/4, NE/4SE/4. The Federal lease involved is W-036663.

   (a) Operating Agreement dated February 25, 1970, between Belco Petroleum Corporation, as Assignor, and Chandler & Associates, Inc., as Assignee. Covering Section 17: SE/4NE/4 only.

   (b) Operating Agreement dated September 21, 1970, between Belco Petroleum Corporation, as Assignor, and Chandler & Associates, Inc., as Assignee. Covering Section 17: SE/4NE/4 only.

   (c) Assignment of Operating Rights dated March 16, 1979, but effective October 1, 1973, between Chandler & Associates, Inc., as Assignor, and Belco Petroleum Corporation, as Assignee. Covering Section 17: SE/4NE/4 only.

21287

   (d) Assignment of Operating Rights dated March 16, 1979, between Chandler & Associates, Inc., as Assignor, and Adobe Oil & Gas Corporation, as Assignee.

   (e) Assignment of Record Title to Oil and Gas Lease dated December 21, 1983, but effective July 29, 1983, between Belco Petroleum Corporation, as Assignor, and Belco Development Corporation, as Assignee.

   (f) Assignment of Operating Rights in Oil and Gas Lease dated December 21, 1983, but effective July 29, 1983, between Belco Petroleum Corporation, as Assignor, and Belco Development Corporation, as Assignee.

RECORDED Nov. 23 19 87 10:45 AM
IN BOOK 80 OG PAGE 464
FEES $ 8.00 Mary L. LanKford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Irene Riley

   (g) Assignment of Operating Rights in Oil and Gas Lease dated February 26, 1986, but effective August 1, 1985, between Chandler & Associates, Inc., as Assignor, and MGF Oil Corporation, as Assignee.

   (h) Assignment of Operating Rights in Oil and Gas Lease dated March 15, 1986, but effective August 1, 1985, between MGF Oil Corporation, as Assignor, and Chandler & Associates, Inc., as Assignee.

   (i) Assignment of Operating Rights in Oil and Gas Lease dated April 14, 1986, between Chandler & Associates, Inc., as Assignor, and W. A. Sears, Jr., as Assignee.

   (j) Assignment of Operating Rights in Oil and Gas Lease dated April 14, 1986, between Chandler & Associates, Inc., as Assignor, and R. J. Ackerman, as Assignee.

   (k) Assignment of Operating Rights in Oil and Gas Lease dated April 14, 1986, between Chandler & Associates, Inc., as Assignor, and J. J. Sullivan, as Assignee.

   (l) Assignment of Operating Rights in Oil and Gas Lease dated December 17, 1986, but effective December 31, 1986, between Adobe Resources Corporation, as Assignor, and Trexco Resources, Inc., as Assignee.

3. For the purposes of invoking the legal protections of constructive notice under the Wyoming recording acts of said documents listed above, affiant has executed this Affidavit which he will cause to be recorded in the records of the Sublette County Recorder, State of Wyoming.

SUBSCRIBED AND SWORN to before me this 17th day of November, 1987.

ENRON OIL & GAS COMPANY
(Successor in Interest Through Merger
to Belco Development Corporation)

By: _____
Andrew C. Morris
Division Landman
"AFFIANT"

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 17th day of November, 1987 by Andrew C. Morris.

Witness my hand and official seal.

5-19-88
My Commission Expires

_____
Notary Public
Cheryl A. Haugen

Address: 1801 California Street
Suite 4800
Denver, Colorado 80202

CHERYL A. HAUGEN NOTARY PUBLIC STATE OF COLORADO

0575H

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-036663

Lease effective date
11-1-55

PART I

1. Assignee's Name

TREXCO RESOURCES, INC.

Address *(include zip code)*
330 Grant St., Suite 2900
Pittsburgh, PA 15219

The undersigned, as owner of Tract I - 11.25% Tract II - 11.25% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

T-29-N, R-112-W
Tract I: Section 17: SE/4 NE/4

From surface down to a depth of 4,335 feet

Tract II: Section 17: NE/4 SE/4

From surface down to a depth of 4,062 feet

CERTIFIED
to be a true and comparative copy
of the official records on file
NOV 12 1987
BUREAU OF LAND MANAGEMENT

Containing 80 acres, more or less, in Sublette County, Wyoming

STATE OF TEXAS I
I
COUNTY OF MIDLAND I

Before me, the undersigned authority, on this day personally appeared H.R. Holcomb, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of ADOBE RESOURCES CORPORATION, a Delaware corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 24th day of December 1986.

TERI L. BROOKS
Notary Public
State of Texas
My commission expires: 4-29-89

Teri L. Brooks
Notary Public in and for
the State of Texas

17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 17th day of December, 1986, effective December 31, 1986.

ADOBE RESOURCES CORPORATION

H. R. Holcomb (Assignor's Signature) Vice President

300 West Texas, Suite 1100
(Assignor's Address)

ATTEST:

Tim Culp Ass't Secretary

Midland, Texas 79701
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective MAR 1 1987

By Fred O'Farrell
(Authorized Officer)

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

SUPERVISOR, MAINTENANCE UNIT
466 (Title)

MAY 7 1987
(Date)

NOTE: *This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.*

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 31st day of December, 19 86.

TREXCO RESOURCES, INC.

John G. Caldwell (Assignee's Signature) Executive Vice President

330 Grant St., Suite 2900
(Assignee's Address)

ATTEST:

Henry E. Reich, Jr. Ass't Secretary

Pittsburgh, Pennsylvania 15219
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

CERTIFIED
to be a true and complete copy of the official records on file
NOV 12 1987
BUREAU OF LAND MANAGEMENT

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

EXHIBIT "A"

Attached to and made a part of "Assignment Affecting Record Title to Oil and Gas Lease" from Adobe Resources Corporation to Trexco Resources, Inc.

In addition to all overriding royalties and production payments previously reserved or conveyed, if any, Adobe Resources Corporation excepts herefrom and reserves unto itself, its successors and assigns, an aggregate Five Million Dollar ($5,000,000) production payment payable as follows:

On Oil

Payable out of one-half (1/2) of the proceeds received (i.e. posted or contract price as adjusted for quality less any required costs of transportation, processing or other costs to market) by Assignee, its successors and assigns, in excess of Twenty Dollars ($20.00) per barrel. Example: If Assignee received for oil $22.00 per barrel, Assignor would receive $1.00 per barrel to be applied on its production payment.

CERTIFIED
to be a true and comparative copy of the official records on file
NOV 12 1987
BUREAU OF LAND MANAGEMENT

On Gas

Payable out of one-half (1/2) of the proceeds received (i.e. posted or contract price as adjusted for quality less any required costs of transportation, processing or other costs to market) by Assignee, its successors and assigns, in excess of Two Dollars and 50/100 ($2.50) per MCF. Example: If Assignee received for gas $3.50 per MCF, Assignor would receive $0.50 per MCF to be applied on its production payment.

This production payment shall terminate and be of no further force and effect upon the earlier to occur of the following events: (i) the payment to Assignor of the sum of an aggregate Five Million Dollars ($5,000,000) from the properties to which said production payment applies as defined in that certain Asset Purchase and Sale Agreement dated as of 12/30/86 between the parties hereto or (ii) the lapse of 15 years from January 1, 1987.

This production payment shall be paid by Assignee annually with each payment being made within 90 days after the expiration of each calendar year. Each payment shall be accompanied with a comprehensive statement reflecting the manner in which the amount of such payment was calculated and determined. After receipt of the annual payment Assignor shall have the right to audit the accounts of Assignee with respect to the manner in which the amount of the payment was determined.

This production payment shall extend to, and be covered by, all extensions and renewals of the subject lease, shall bear its proportionate part of all gross production taxes or other applicable taxes, and shall be binding upon the parties hereto, their successors and assigns.

This Assignment is pursuant to and made subject to the terms and conditions of the aforementioned Agreement.

Provided, however, that all payments out of production created by this Assignment are subject to the suspension provision in 43 C.F.R. Section 3103-3.

D4/FED/EX/1-A/1-B/1-C

469

BUREAU OF LAND MANAGEMENT

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-036663

Lease effective date
11-1-55

PART I

1. Assignee's Name

J.J. Sullivan

Address (include zip code)
777 N. Overland Tr., Suite 109 Box 1398
Casper, Wyoming 82602

The undersigned, as owner of 36.666667% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

Township 29 North, Range 112 West
Section 17: SE¼NE¼ from the surface to 4,335 feet

Section 17: NE¼SE¼ from the surface to 4,062 feet

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 1.0411665% |
| 4. Specify interest or percent of operating rights being retained by assignor | 35.6265005% |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 14th day of April , 19 86.
CHANDLER & ASSOCIATES, INC,

Patti McDonald Chandler
(Assignor's Signature)
Patti McDonald Chandler, Vice President

1660 Lincoln St., #1400
(Assignor's Address)

Diana J. Ley, Assistant Secretary

Denver, CO 80203
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective JUN 1 1986

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

By ANDREW L. TARSHIS
(Authorized Officer)

CHIEF, LEASING SECTION
(Title)

JUN 10 1986
(Date)

[redacted] reproductions on one sheet of bond [redacted] official form

[redacted] ASSIGNEE'S A ICATION FO [redacted] ROVAL OF TRAI ER [redacted]
OF OPERATING RIGHTS AND OR OPERATING AGREEMENT (SUBLEASE

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is X individual __ Municipality __ Association __ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee X is __ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 28th day of May, 19 86.

(Assignee's Signature)

(Assignee's Address)
J. J. Sullivan
P. O. Box 1398
Casper, Wyoming 82602
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

CORPORATE ACKNOWLEDGMENT

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

I, Patricia E. Allen, a Notary Public in and for said County and State, do hereby certify that: Patti McDonald Chandler, to me personally known, and known to me to be the same person who executed the foregoing instrument as Vice President of Chandler & Associates, Inc., a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that: he is the Vice President of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed, and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed for the uses, purposes and considerations therein expressed.

Given under my hand and official seal this 15th day of April, 19 86.

My Commission Expires: 4-25-87

Notary Public in and for said County and State,
residing at: 1660 Lincoln St., #2400
Denver, CO 80203

(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

Subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

Form 3106-1a
(March 1980)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 42-R1599

Lease Serial No.
W-036663

Lease effective date
11-1-55

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name

R.J. Ackerman

Address (include zip code)
P.O. Box 1250
Casper, Wyoming 82602

The undersigned, as owner of 38.75 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

Township 29 North, Range 112 West
Section 17: SE¼NE¼ from the surface to 4,335 feet

Section 17: NE¼SE¼ from the surface to 4,062 feet

Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 1.0411665% |
| 4. Specify interest or percent of operating rights being retained by assignor | 37.7088335% |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 14th day of Arpil , 19 86.
CHANDLER & ASSOCIATES, INC.

Patti McDonald Chandler
(Assignor's Signature)
Patti McDonald Chandler, Vice President

Diana J. Ley
Diana J. Ley, Assistant Secretary

1860 Lincoln St., #1400
(Assignor's Address)

Denver, Co 80203
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective JUN 1 1986

By ANDREW L. TARSHIS
(Authorized Officer)

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

472 CHIEF, LEASING SECTION

JUN 10 1986

PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☒ Individual ☐ Municipality ☐ Association ☐ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☒ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 6th day of May, 1986.

R Y Ackerman
(Assignee's Signature)

P.O. Box 1250
(Assignee's Address)

Casper, Wyo. 82602
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

CORPORATE ACKNOWLEDGMENT

STATE OF COLORADO )
) SS.
COUNTY OF DENVER )

I, Patricia E. Allen, a Notary Public in and for said County and State, do hereby certify that Patti McDonald Chandler, to me personally known, and known to me to be the same person who executed the foregoing instrument as Vice President of Chandler & Associates, Inc., a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the Vice President of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed, and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed for the uses, purposes and considerations therein expressed.

Given under my hand and official seal this 15th day of April, 1986.

My Commission Expires: 4-25-87

Notary Public in and for said County and State,
residing at 1860 Lincoln St., #1400
Denver, CO 80203

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided [redacted] ment may be rejected

[redacted] [redacted] [redacted]

Subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

475

Form 3100-14
(March 1980)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 42-R1599

Lease Serial No.
W-036663

Lease effective date
11-1-55

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name
W.A. Sears Jr.

Address (including zip code)
P.O. Box 1369
Casper, Wyoming 82602

The undersigned, as owner of 37.7088335% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

Township 29 North, Range 112 West
Section 17: SE¼NE¼
From the sruface to 4,335 feet

Section 17: NE¼SE¼
From the surface to 4,062 feet

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 1.0411665% |
| 4. Specify interest or percent of operating rights being retained by assignor | 36.667667% |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 14th day of April , 19 86.
CHANDLER & ASSOCIATES, INC.

Patti McDonald Chandler
(Assignor's Signature)
Patti McDonald Chandler, Vice President

1860 Lincoln St., #1400
(Assignor's Address)
Denver, CO 80203
(City) (State) (Zip Code)

Diana J. Ley
Diana J. Ley, Assistant Secretary

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective JUN 1 1986

By ANDREW L. TARSHIS
(Authorized Officer)

CHIEF, LEASING SECTION

JUN 10 1986

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is X Individual ___ Municipality ___ Association ___ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee X is ___ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 6th day of May, 19 86.

W. A. Sears, Jr.
(Assignee's Signature)

P. O. Box 1369
(Assignee's Address)

Casper, Wyoming 82602
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

CORPORATE ACKNOWLEDGMENT

STATE OF COLORADO )
) SS.
COUNTY OF DENVER )

I, Patricia E. Allen, a Notary Public in and for said County and State, do hereby certify that Patti McDonald Chandler, to me personally known, and known to me to be the same person who executed the foregoing instrument as Vice President of Chandler & Associates, Inc., a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the Vice President of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed, and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed for the uses, purposes and considerations therein expressed.

Given under my hand and official seal this 15th day of April, 1986.

ACKNOWLEDGMENT—INDIVIDUAL

STATE OF Wyoming } SS.
COUNTY OF Natrona }

On this 6th day of May, 1986, before me, a Notary Public in and for said County and State, personally appeared W. A. Sears, Jr. and to me known to be the identical person described in and who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

WITNESS my hand and official seal the day and year above written.

Billye Carlene Sheum
Notary Public

My commission expires October 3, 1989

Billye Carlene Sheum - Notary Public
Natrona County
My Commission Expires Oct. 3, 1989

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Subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

WAF

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W - 036663

Lease effective date
11-1-55

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name
Chandler and Associates, Inc.

Address *(include zip code)*
1860 Lincoln Street, Suite 1400
Denver, CO 80203

The undersigned, as owner of 3.125 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 29 North- Range 112 West, Sublette County, Wyoming
Section 17: SE¼NE¼, NE¼SE¼ containing 80 acres more or less, but only insofar as said lands cover the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE¼NE¼ of Section 17, Township 29 North, Range 112 West.

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980 by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligation pertaining to the lease and leasehold interest herein assigned.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 3.125% |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3.00% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 15th day of March, 19 86, but effective August 1, 1985.
(MGF Oil Corporation Corporate Qualification on file in W-56800)

(Assignor's Signature)
William J. Hollander
Attorney in Fact
(POA on file in W-56943)

216 16th Street Mall, Suite 900
(Assignor's Address)

Denver, Colorado 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective JUL 1 1986

By ANDREW L. TARSHIS
(Authorized Officer)

Approval does not warrant that either party to the transfer holds legal or equitable title to this lease.

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CHIEF, LEASING SECTION
(Title)

JUL 0 3 1986
(Date)

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 23rd day of April , 19 86.

CHANDLER & ASSOCIATES, INC.

Patti McDonald Chandler
(Assignee's Signature)

Patti McDonald Chandler, Vice President

1860 Lincoln St., #1400
(Assignee's Address)

ATTEST:

Diana I. Ley
Diana I. Ley, Assistant Secretary

Denver, CO 80203
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

The foregoing document was acknowledged before me this 15th day of March 1986, by William J. Hollander, as Attorney-in-Fact for MGF Oil Corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires:

Feb. 14, 1988.

Deborah J. Vogt
Notary Public
Address: 216 - 16th Street Mall, Suite 900
Denver, Colorado 80202

provide that you be furnished the following information in
by this assignment and

STATE OF COLORADO )
) SS.
COUNTY OF DENVER )

CORPORATE ACKNOWLEDGMENT

I, Patricia E. Allen, a Notary Public in and for said County and State, do hereby certify that Patti McDonald Chandler, to me personally known, and known to me to be the same person who executed the foregoing instrument as Vice President of Chandler & Associates, Inc., a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the Vice President of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed, and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed for the uses, purposes and considerations therein expressed.

Given under my hand and official seal this 24th day of April , 19 86

My Commission Expires: 4-25-87

Notary Public in and for said County and State,
residing at 1860 Lincoln St., #1400
Denver, CO 80203

Form 3100-14 [redacted]
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM A[redacted]
OMB NO [redacted]
Expires August [redacted] 1986

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-036663

Lease effective date
11-1-55

PART I

1. Assignee's Name: MGF Oil Corporation

Address (include zip code): 216 16th Street Mall, Suite 900
Denver, CO 80202

The undersigned, as owner of 38.75% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.3-4)

Township 29 North, Range 112 West
Section 17: SE¼NE¼ from the surface to 4,335 feet

Section 17: NE¼SE¼ from the surface to 4,062 feet

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980, by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 3.125% |
| 4. Specify interest or percent of operating rights being retained by assignor | 35.625% |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 26th day of February, 19 86, but effective August 1, 1985.

CHANDELR & ASSOCIATES, INC.

Patti McDonald Chandler
(Assignor's Signature)

Patti McDonald Chandler, Vice President

ATTEST:

Diana J. Ley, Assistant Secretary

1860 Lincoln Street, Suite 1400
(Assignor's Address)

Denver, CO 80203
(City) (State) (Zip Code)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective MAY 1 1986

By ANDREW L. TARSHIS
(Authorized Officer)

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

CHIEF, LEASING SECTION
(Title)

MAY 13 1986
For Assignee

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.

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COPY

CA 3BA

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 12th day of March, 1986.

MGF Oil Corporation (Corporate Qualifications on file in W-56800)

William J. Hollander

(Assignor's Signature)

William J. Hollander
Attorney-in-Fact
(POA on file in W-56943)

216 - 16th Street Mall, Suite 900
(Assignor's Address)

Denver, Colorado 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing document was acknowledged before me this 12th day of March 1986, by William J. Hollander, as Attorney-in-Fact for MGF Oil Corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires:

Feb. 14, 1988.

Deborah J. Vogt

Notary Public
Address: 216 - 16th Street Mall, Suite 900
Denver, Colorado 80202

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

The P[redacted]eduction Act of 1980, [redacted] U.S.C. 3501 et seq[redacted]es us to inform you that:

Form 3106–14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004–0034
Expires: August 31, 1985

Lease Serial No.
W-036663

Lease effective date
11-1-55

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

BELCO DEVELOPMENT CORPORATION

Address (include zip code)

10,000 Old Katy Road, Houston, Texas 77055

The undersigned, as owner of See below percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2–3 or 3101.1–4)

Township 29 North, Range 112 West, 6th P.M.

Tract 1 - Section 17 - SE¼NE¼
Zone 1 - Surface to 4335' 50%
Zone 2 - Below 4335' 100%

Tract 2 - Section 17 - NE¼SE¼
Zone 1 - Surface to 4062' 50%
Zone 2 - Below 4062' 100%

Containing 80 acres, more or less,
Sublette County, Wyoming

Owner interest owned to depth as specified above

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | All |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.
This assignment is made without warranty of title, either express or implied.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 21st day of December, 1983, in quadruplicate originals, but to be effective the 29th day of July, 1983.
BELCO PETROLEUM CORPORATION

R. A. Grinstead
(Assignor's Signature)

One Dag Hammarskjold Plaza
(Assignor's Address)

R. A. Grinstead
Vice President

New York New York 10017
(City) (State) (Zip Code)

BDC Lease # 1180-038

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective [illegible]

By Judith A. Moffitt
(Authorized Officer)

[illegible] 1985

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## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 21st day of December, 19 83.

BELCO DEVELOPMENT CORPORATION

J. M. Oswald
(Assignee's Signature)

J. M. Oswald
Senior Vice President

10,000 Old Katy Road
(Assignee's Address)

Houston Texas 77055
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

[redacted] [redacted] [redacted]

GPO 834 - 1

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO DEVELOPMENT CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of December, 1983.

MY COMMISSION EXPIRES:
4-30-85

Lori A. Boliver
Lori A. Boliver, Notary Public
in and for the State of Texas

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared R. A. GRINSTEAD, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of December, 1983.

MY COMMISSION EXPIRES:
4-30-85

Lori A. Boliver
Lori A. Boliver, Notary Public
in and for the State of Texas

Form 3106 - 5
(October 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-036663

Lease effective date
11-1-55

FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name

BELCO DEVELOPMENT CORPORATION

Address *(include zip code)*

10,000 Old Katy Road, Houston, Texas 77055

The undersigned, as owner of 100 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment

Township 29 North, Range 112 West, 6th P.M.

Section 17: SE¼NE¼, NE¼SE¼

Containing 80 acres, more or less,
Sublette County, Wyoming

Assignment approved as to lands described below

SAME LAND DESCRIPTION AS ITEM 2

| | |
|---|---|
| 3. Specify interest or percent of assignor's record title interest being conveyed to assignee | 100% |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | None |
| 5. Specify overriding royalty being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 3% |

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

This assignment is made without warranty of title, either express or implied.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 21st day of December, 19 83, in quadruplicate originals, but to be effective the 29th day of July, 1983.

BELCO PETROLEUM CORPORATION

(Assignor's Signature)

R. A. Grinstead
Vice President

One Dag Hammarskjold Plaza

(Assignor's Address)

New York New York 10017

(City) (State) (Zip Code)

BDC Lease #1180-038

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective [redacted]

By [redacted]
(Authorized O[redacted]

[redacted] II [redacted]

## ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 21st day of December , 19 83

BELCO DEVELOPMENT CORPORATION

J. M. Oswald
(Assignee's Signature)

J. M. Oswald
Senior Vice President

10,000 Old Katy Road
(Assignee's Address)

Houston (City) Texas (State) 77055 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

## INSTRUCTIONS

1. USE OF FORM – Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany the assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – Assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If bond is necessary, it *must* be furnished prior to approval of the assignment.

4. EFFECT OF ASSIGNMENT – Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does *not* change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.

5. A copy of the lease out of which this assignment is made should be obtained from the assignor.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106–3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO DEVELOPMENT CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of December, 19 83.

MY COMMISSION EXPIRES:
4-30-85

Lori A. Boliver, Notary Public
in and for the State of Texas

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared R. A. GRINSTEAD, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 21st day of December, 19 83.

MY COMMISSION EXPIRES:
4-30-85

Lori A. Boliver, Notary Public
in and for the State of Texas

[redacted] [redacted] [redacted]

# ASSIGNMENT OF OPERATING RIGHTS

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, CHANDLER & ASSOCIATES, INC., 1401 Denver Club Building, Denver, Colorado 80202, hereinafter referred to as "Assignor," for and in consideration of One Dollar ($1.00) and other considerations, the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over unto ADOBE OIL & GAS CORPORATION, 1100 Western United Life Building, Midland, Texas 79701, hereinafter referred to as "Assignee," an undivided interest in the oil and gas operating rights under and by virtue of the Oil and Gas Leases set forth in Exhibit "A" attached hereto and made a part hereof, said interest being set forth opposite each lease on said Exhibit "A," insofar as said rights pertain to the right to prospect for, operate, produce and own an undivided interest in and to the oil, gas and other hydrocarbons with depth limitations as set forth opposite each lease on said Exhibit "A" together with the rights incident thereto and the personal property thereon, appurtenant thereto or used or obtained in connection therewith.

This Assignment is made without warranty of title either express or implied, and in the event the leases set forth in Exhibit "A" cover less than the full interest in the oil and gas and other hydrocarbons, then the interest being hereby assigned shall be reduced in proportion that the interest covered by said leases bears to the full and undivided interest in the oil and gas and other hydrocarbons. Assignor hereby reserves unto itself, its successors and assigns, all rights not hereby assigned.

Assignee agrees not to release or surrender the leases and leasehold interests herein assigned without first offering to reassign such interest to Assignor. Should Assignor accept such reassignment, then Assignee shall be relieved of all future obligations with respect to the leasehold interest reassigned but Assignee shall not be relieved of any of its obligations occuring prior to the receipt by Assignor of such reassignment.

This Assignment of Operating Rights is made subject to and is governed by the terms and conditions of all prior agreements and amendments thereto, between Assignor and United Refining Company, and without limiting the generality of the foregoing, is particularly subject to and governed by the LaBarge Platform Project Agreement dated April 15, 1969, and any amendments. This Assignment of Operating Rights is further subject to all agreements of whatsoever nature, previously entered into between Assignor and Assignee, including particularly the documentation wherein Assignor consented to an Assignment from United Refining Company to Assignee. In addition, the interest herein assigned and the quantity thereof, is subject to and governed by all Division Orders, stipulations of interest or other documents executed by either United Refining Company or Assignee, and to the terms and conditions of agreements between Assignor and third parties, whether recorded or not, executed by Assignor and pertaining directly or indirectly to the leases herein assigned. And again, without limiting the generality of the foregoing, this Assignment is subject to the terms and conditions of:

(a) The original Oil and Gas Leases;

(b) All prior Assignments thereof.

This Assignment shall be subject to and bear its proportionate part of Lessor's royalty, overriding royalty interest, production payments, or any other working interest burdens in existence as of the date hereof.

This Assignment shall be binding upon and inure to the benefit of the heirs or personal representatives, successors and assigns of the Assignor and Assignee and the covenants, agreements, conditions and obligations herein contained shall be considered as covenants, agreements, conditions and obligations running with the ownership of said leases and the ownership of the Oil and Gas Leasehold Estates; however, the interest herein assigned shall not be assignable by Assignee without the written consent of Assignor, and Assignee agrees that it will not, without the prior written consent of Assignor, create any overriding royalty, payment out of production, net profits obligation or carried interest, or any other obligation which will be a burden upon said leases.

IN WITNESS WHEREOF, this Assignment has been executed this 16th day of March, 1979.

ATTEST:

Hubert L. White, Secretary

CHANDLER & ASSOCIATES, INC.

By: Collis P. Chandler, Jr., President

SB

STATE OF COLORADO )
) SS:
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 16th day of March, 1979, by Collis P. Chandler, Jr., as President of Chandler & Associates, Inc., a Colorado Corporation.

Witness my hand and official seal.

Notary Public

My Commission Expires:
October 17, 1982

EXHIBIT "A"

Sublette COUNTY, Wyoming

PAG

| E NO. | LESSOR | DESCRIPTION | LEASE DATE | GROSS ACRES | NET ACRES | INTEREST ASSIGNED TO ADOBE | DEPTH |
|---|---|---|---|---|---|---|---|
| -021-094 | N. McDonald Draw | | | | | | |
| -9091-00 | U.S.A. W-036663 | Township 29 North, Range 112 West | 11-1-55 | 80.00 | 80.00 | | |
| | | TRACT I - Section 17: SE¼NE¼ | | | | 75% of 30% of 50% | 0' to 4335' |
| | | TRACT II-Section 17: NE¼SE¼ | | | | 75% of 30% of 50% | 0' to 4062' |
| -9718-00 | U.S.A. W-36567 | Township 29 North, Range 112 West | 11-1-55 | 200.00 | 200.00 | | |
| | | TRACT I - Section 17: N½NE¼, SW¼NE¼ | | | | 75% of 30% of 50% | 0' to 4335' |
| | | TRACT II-Section 17: W½SE¼ | | | | 75% of 30% of 50% | 0' to 4062' |
| -9236-00 | U.S.A. W-036663-A | Township 29 North, Range 112 West | 11-1-55 | 40.00 | 40.00 | | |
| | | Section 17: SE¼SE¼ | | | | 75% of 30% of 50% | 0' to 4335' |
| -9179-00 | State of Wyoming O-20914 | Township 29 North, Range 112 West | 8-16-56 | 640.00 | 640.00 | | |
| | | TRACT I - Section 16: W½ | | | | 75% of 30% of 100% | 0' to 4600' |
| | | TRACT II-Section 16: SE¼ | | | | 75% of 30% of 33.33% | 0' to base of Mesaverde |
| | | | | | | 75% of 30% of 25% | 0' to 4600' |
| | | TRACT III-Section 16: NE¼ | | | | 75% of 30% of 16.67% | 0' to base of Mesaverde |
| | | | | | | 75% of 30% of 12.5% | 0' to 4600' |

467

491

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States

TAX I.D. #75-1407506

3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation
4. Assignee is the sole party in interest in this assignment *(information as to interests of other parties in this assignment must be furnished as prescribed in Specific Instructions)*
5. Filing fee of $25 is attached *(see Item 2 of General Instructions)*
6. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options, or 246,080 chargeable acres in options and leases in the same state, or 300,000 chargeable acres in leases and options in each leasing district in Alaska.

B. ASSIGNEE AGREES to be bound by the terms and provisions of the lease described here, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 28th day of June, 1979

ATTEST:

ADOBE OIL & GAS CORPORATION

Ass't. Secretary

By: H. R. Holcomb (Assignee's Signature) Vice President

| DIVISION | |
|---|---|
| APPROVAL | APPROVAL |

1100 Western United Life Building
Midland, Texas 79701
(Address, include zip code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF TEXAS I
I
COUNTY OF MIDLAND I

PAM CALAWAY
Notary Public in and
for Midland Co., Tx
My Commission
Expires: 5-7-81

BEFORE ME, the undersigned authority, on this day personally appeared H. R. Holcomb, known to me to be the person and officer whose name is subscribed to the foregoing instrument as Vice President of ADOBE OIL & GAS CORPORATION, a Delaware corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28th day of June, 1979.

My Commission Expires:

5-7-81

Notary Public in and for Midland County Texas.

PART I

*Item 1* – Type or print plainly, in ink, between and below heavy dots, the assignee's full name and mailing address, including zip code.

PART II

A. *Certification of assignee*

3. If assignee is an association or partnership, assignee *must* furnish a certified copy of its articles of association or partnership, with a statement that (a) it is authorized to hold oil and gas leases; (b) that the person executing the assignment is authorized to act on behalf of the organization in such matters; and (c) names and addresses of members controlling more than 10% interest.

If assignee is a corporation, it *must* submit a statement containing the following information: (a) State in which it was incorporated; (b) that it is authorized to hold oil and gas leases; (c) that officer executing assignment is authorized to act on behalf of the corporation in such matters; and (d) percentage of v[redacted]k and percentage of *all* stock owned [redacted] aliens or those having addresses outside the United States. If 10 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate showing of his citizenship and holdings *must* be furnished.

If evidence of qualifications and ownership has previously been furnished as required by the above, reference by serial number of record in which it was filed together with a statement as to any amendments. Qualifications of assignee *must* be in full compliance with the regulations (43 CFR 3102).

4. *Statement of interests* – Assignee *must* indicate whether or not he is the sole party in interest in the assignment; if not, assignee *must* submit, at time assignment is filed, a signed statement giving the names of other interested parties. If there are other parties interested in the assignment, a separate statement *must* be signed by each and assignee giving the nature and extent of the interest of each, the nature of agreement between them, if oral; and a copy of agreement, if written. *All* interested parties *must* furnish evidence of their qualifications to hold such lease interests. Separate statements and written agreem[redacted] *must* be [redacted]d no later than fifteen (15) days af[redacted] assignment.

# ASSIGNMENT OF OPERATING RIGHTS

THIS Assignment of Operating Rights made and entered into by and between CHANDLER & ASSOCIATES, INC., a Colorado corporation, 1401 Denver Club Building, Denver, Colorado 80202, (hereinafter referred to as "Assignor"), and BELCO PETROLEUM CORPORATION, a corporation, 445 Union Boulevard, Suite 209, Lakewood, Colorado 80228, (hereinafter referred to as "Assignee"),

## WITNESSETH:

WHEREAS, by instrument dated September 21, 1970 and designated "Operating Agreement", Assignee conveyed to Assignor all of its interest in and to the oil and gas lease and lands as set forth in Article A hereafter, from the surface of the ground down to a depth of 4335 feet, and subject to an overriding royalty interest as more fully described in said instrument, with the option at payout to release said overriding royalty and receive an assignment of a fifty percent (50%) working interest; and

WHEREAS, total payout as defined in the aforementioned "Operating Agreement" has occurred, and Assignee has duly and properly elected to convert its overriding royalty to a working interest as provided therein; and

WHEREAS, pursuant to the terms of the aforementioned "Operating Agreement", Assignor desires to convey to Assignee the interest hereinafter described and Assignee desires to accept said interest and to release and relinquish its overriding royalty interest.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

A. Assignor does hereby bargain, sell, transfer and assign unto Assignee, it successors and assigns, an undivided 50% interest in the operating rights from the surface of the ground down to a depth of 4335 feet in and to the following described oil and gas lease and lands, to-wit:

UNITED STATES LEASE WYOMING 036663

Township 29 North, Range 112 West, 6th P.M.
Section 17: SE/4NE/4
Sublette County, Wyoming

together with a like interest in the #1 Isenhour Government Well and all fixtures and personal property appertaining thereto.

B. Anything herein to the contrary notwithstanding, the interest herein assigned to Assignee shall be subject to its proportionate share of landowner's royalty and any other overriding royalty interests existing as of the date of this Assignment.

C. Assignee has relinquished, and does by these presents relinquish and release unto Assignor all of its right, title and interest in and to that overriding royalty interest reserved by Assignee in the "Operating Agreement" referred to above and in Article D hereof.

D. This Assignment is made pursuant to the terms and provisions of that certain Farmout Agreement dated March 13, 1970 and that certain "Operating Agreement" dated September 21, 1970, both between Assignee and Assignor covering the above described lease and lands, and Assignee, by its acceptance of this Assignment, hereby assumes its proportionate part of the obligations under the aforesaid Agreements; Assignee, as of the date hereof, expressly assumes the covenants, obligations and deeds provided for in said Federal Oil and Gas Lease insofar as it covers the above-described lands.

COPY

E. This Assignment is made without warranty of title, either express or implied.

F. The terms of this Assignment shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns and the terms hereof shall be covenants running with the land.

EXECUTED this 16th day of March, 1979, but effective as of 7:00 a.m., on the 1st day of October, 1973.

ASSIGNOR

CHANDLER & ASSOCIATES, INC.,
a Colorado corporation

By _____
COLLIS P. CHANDLER, JR., President

ATTEST:

_____
HUBERT L. WHITE, Secretary

(SEAL)

STATE OF COLORADO )
) ss.
CITY AND COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 16th day of March, 1979, by Collis P. Chandler, Jr., President of Chandler & Associates, Inc.

WITNESS my hand and official seal.

My commission expires: 10-17-82

_____
Notary Public

ASSIGNEE

BELCO PETROLEUM CORPORATION

By _____
John B. Dunnewald
Attorney-in-Fact

ATTEST:

_____

STATE OF COLORADO )
) ss.
COUNTY OF JEFFERSON )

The foregoing instrument was acknowledged before me this 28th day of March, 1979, by John B. Dunnewald, as Attorney-in-Fact of Belco Petroleum Corporation.

WITNESS my hand and official seal.

My commission expires: My commission expires Nov. 15, 1981

_____
Notary Public

COPY

[redacted] RT II [redacted]

## ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT
   1. Assignee is over the age of majority
   2. Assignee is a citizen of the United States
   3. Assignee is [ ] Individual [ ] Municipality [ ] Association [X] Corporation
   4. Assignee is the sole party in interest in this assignment *(information as to interests of other parties in this assignment must be furnished as prescribed in Specific Instructions)*
   5. Filing fee of $25 is attached *(see Item 2 of General Instructions)*
   6. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options, or 246,080 chargeable acres in options and leases in the same state, or 300,000 chargeable acres in leases and options in each leasing district in Alaska.

B. ASSIGNEE AGREES to be bound by the terms and provisions of the lease described here, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 6th day of April , 19 79.

BELCO CORPORATE QUALIFICATIONS
FILED UNDER: U. S. W-56943

BELCO PETROLEUM CORPORATION

By: _____
(Assignee's Signature)
John B. Dunnewald
Attorney-in-Fact

445 Union Blvd., Suite 209
Lakewood, Colorado 80228
(Address, include zip code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

CORPORATE ACKNOWLEDGEMENT (Colorado, Nebrask Wyoming, Utah, Kansas, North Dakota, South Dakota, Montan

STATE OF COLORADO
COUNTY OF JEFFERSON } ss.

On April 6 , 19 79 , before me personally came the above named _____
John B. Dunnewald (who being by me duly sworn, did say that he is the Attorney-in-Fac
President of BELCO PETROLEUM CORPORATION
a corporation, and that the seal affixed to said instrument is the corporate seal of said corporation) who is personally known to m to be the identical person and officer whose name is affixed to the above instrument as Attorney-in-Fact of said corporation and acknowledged the instrument to be his free and voluntary act and deed and the free and voluntary act and deed of said co poration; that said corporation executed said instrument and that said instrument was executed, signed and sealed on behalf o said corporation by authority of its Board of Directors or by authority of its By-Laws.

My Commission Expires: My commission expires Nov. 13, 1981

Carole Jones
Notary Public
Residing at: 403 S. Balsam St.
Lakewood, Colorado 8022

THIS OPERATING AGREEMENT made and entered into this 21st day of September, 1970 by and between BELCO PETROLEUM CORPORATION, 630 Third Avenue, New York, New York 10017, hereinafter called "Belco" and CHANDLER & ASSOCIATES, INC., 1401 Denver Club Building, Denver, Colorado 80202, hereinafter called "Chandler";

Amended

W I T N E S S E T H:

WHEREAS, Belco owns and holds an interset in each of certain oil and gas leases covering lands in Sublette County, Wyoming more fully described in Exhibit "A" attached hereto, and hereby made a part hereof; and

WHEREAS, the parties hereto are now desirous of entering into an agreement covering the above described leases upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, For and in consideration of the premises, it is hereby mutually agreed as follows, with respect to each lease listed in Exhibit "A":

1. Rights Granted: Belco hereby assigns, grants and conveys to Chandler all of Belco's interest in the exclusive right and privilege of operating, testing and developing the lands described in Exhibit "A" for oil, gas, casinghead gas and other hydrocarbon substances under the terms of said oil and gas leases or any extensions or renewals thereof. Exhibit "A" designates by lease the total subsurface depth in footage of the initial test well drilled. This Assignment from Belco to Chandler shall cover as to each such prospect only those stratigraphic formations (regardless of the depth found on other parts of such prospect) which are found in the initial test well between the surface of the ground and the depth in footage attributable to such prospect as set out in Exhibit "A". In connection therewith, Chandler shall be entitled to exercise, together with Belco, all rights and privileges granted to lessee under the terms of said oil and gas leases as to the stratigraphic formations herein assigned, and in the event of production of oil, gas, casinghead gas or other hydrocarbon substances from said formation, all of the same shall be owned by Chandler, subject to the proportionate payment of royalty due lessor under the terms of said leases and overriding royalty burdens existing of record as of March 13, 1970, and the overriding royalty interest hereinafter reserved under paragraph number 3 of this agreement.

It is expressly agreed that Belco, for itself and its successors and assigns, hereby accepts, retains and reserves all of the oil, gas and hydrocarbon substances and leasehold estate lying below those stratigraphic formations which are herein assigned in part to Chandler. Sometimes hereinbelow, the title and depths in which Chandler is hereby assigned an interest are called "shallow zone" and the title and depths below the "shallow zone" are called the "deep zone".

2. Rights and Obligations: Belco and Chandler shall have concurrent and mutual easements to said lands for the purpose of exploring, drilling, producing, storing and marketing minerals from the respective zones of said parties, and the parties shall share in any and all rights granted by said oil and gas leases as incident to said exploration, drilling, producing, storing and marketing and by way of example only, this shall include the right to lay pipelines, water lines, power lines, dig pits, erect and do and perform any and all things reasonably necessary to the interest of the respective parties in their respective zone. Any operations on said lands shall be the separate operation of the party conducting the same and shall not be considered as a joint undertaking, joint operation or partnership. In their said separate respective operations each party shall comply with the terms of said leases and all applicable laws, rules and regulations, and neither party shall be liable for the operations or acts of the other, and each party will protect and save the other harmless from all demands and causes of action arising directly or indirectly out of such separate operations.

3. Reservation of Override: Belco excepts and reserves a full net overriding royalty interest equal to one-eighth of eight-eighths (1/8 of 8/8ths) interest in all gas produced and sold and in oil produced and sold if the average daily oil production on a calendar month basis from the well is more than twenty-five (25) barrels and a one-sixteenth of eight-eighths (1/16th of 8/8ths) overriding royalty interest in oil produced and sold if the average daily production from the well on a calendar month basis is twenty-five (25) barrels or less. The overriding royalty reserved shall be subject to a deduction of its proportionate share of production and ad valorem taxes. At the time Chandler recovers from the net production attributable to each such well, (being gross production less all royalty, taxes, cost

of workovers, repairs, recompletion, additional completions and operating expenses) all of the cost and expense incurred by Chandler in connection with the drilling, equipping and completion of such well, Belco shall become operator of the applicable well or wells, and at any time thereafter, at Belco's option, by written notice to Chandler, Belco may convert its said overriding royalty interest to a fifty percent (50%) working interest. Following such conversion, Belco will own its proportionate part of all equipment and be obligated for its proportionate part of all operating and other costs incidental to such well. Not withstanding anything above to the contrary, if the leasehold interest of Belco prior to this Assignment is less than the full 100% working interest; then the overriding royalty herein reserved and the working interest to which it may convert after payout shall be reduced in the proportion which such interest bears to a full interest.

4. Surrender: If at any time either party desires to cease paying rentals or to surrender or release his title to his respective zone hereunder, or if either party desires to abandon the last producing well located on said lands, which is the sole well validating and extending the terms of said oil and gas lease, then such desiring to so surrender or release said title or abandon said well shall be called "Assignor" and the other party shall be called "Assignee" for the purpose of this paragraph. Assignor shall give Assignee notice in writing by registered mail of intention to release or surrender said title or abandon said well at least Sixty (60) days prior to the intended release date or abandonment date, but said date shall be not less than Sixty (60) days prior to the next annual rental payment date, and thereupon Assignee shall have the option to receive an assignment from Assignor of the land designated in said notice. Such notice shall designate at least the entire title of Assignor in such acreage of said lands as may be prescribed under the spacing or proration rules of the State Oil Conservation Commission, or equivalent body, for a well in the field, but in no event less than a Forty (40) acre legal subdivision. If Assignee elects to receive such assignment, Assignee shall so notify Assignor by registered mail within Thirty (30) days after the mailing of said notice of intention to release by Assignor and as quickly as reasonably possible, Assignor shall deliver Assignee a good and sufficient assignment of said lease or title and Assignor shall thereupon be released from all liability hereunder and under said oil and gas lease thereafter accruing as to said lands. If Assignee does not so timely notify Assignor of the election to accept such assignment, then Assignor shall be free to release or surrender said lease or title as to the designated lands and thereupon Assignor shall be released from all liability hereunder and under said oil and gas lease thereafter accruing as to said lands.

5. Salvage: In the event Assignee elects to receive such assignment and there shall be a well or wells thereon belonging to Assignor, then Assignee shall have the option to take over any such well or wells by paying the salvage value of all casing tubing, materials and other equipment in and upon said well and used in connection with producing the same. The "salvage value" shall be the fair market value at the well site of the salvageable material located therein and thereon less the estimated reasonable cost of salvaging the same. If Assignee does not elect to take over such well and pay said salvage value, then Assignor shall salvage the same and plug and abandon the well. If Assignee elects to take over the well, Assignee shall pay the said salvage value upon tender of the above described assignment.

6. Ad Valorem Taxes: Ad valorem taxes, if any, on the above described shallow zone shall be apportioned as of date of first runs for the year. For all years subsequent thereto, each party shall render or assess its zone on all material and equipment appurtenant thereto and shall pay the ad valorem taxes, if any, thereon.

7. Notices: Notices given under this Agreement shall be by telegraph, certified mail or telephone; written confirmation of which will follow the latter method. Notices shall be sent to the addresses given in the preamble of this Agreement.

For the purpose of this paragraph, the address of either party may be changed by giving written notice to the other party. If the interest of either party is now or is ever owned by more than two persons, then the other party may require that such co-owners designate in writing a common agent to whom all notices may be given in their behalf and upon failure to designate such common agent, then the other party may designate any of said co-owners as such agent with the same force and effect as if such common agent had been designated by the co-owners as above outlined.

8. No Warranty: This Agreement is made without warranty of title, either expressed or implied. The terms hereof shall be covenants running with the ownership of said above described oil and gas lease, and the interest conveyed hereby and shall bind and benefit the undersigned and their respective assigns, successors and personal representatives.

9. Term: Unless surrendered or reassigned as hereinabove provided, this agreement shall remain in full force and effect during the life of said oil and gas lease and any and all extensions and renewals thereof.

10. Approval: Either party may, if it so elects, file this operating agreement for approval with the appropriate office representing the lessor. Each party agrees to furnish to the other all future documents and things reasonably requested in order to obtain such approval.

11. Federal Lands Provision: The undersigned agree that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of Seventeen and One Half (17½%) percent, shall be suspended when the average production of oil per well per day average on the monthly basis is Fifteen (15) barrels or less.

12. This Agreement is subject to the terms and conditions of a certain agreement designated "Farmout Agreement", dated March 13, 1970, by and between Belco Petroleum Corporation and Chandler & Associates, Inc.

ATTEST:

James C. Haymaker, Asst. Secretary

BELCO PETROLEUM CORPORATION

Jack Saltz, Vice President

ATTEST:

CHANDLER & ASSOCIATES, INC.

VICE PRESIDENT

STATE OF NEW YORK )
COUNTY OF NEW YORK ) SS:

On this 24th day of September, 1970 before me appeared Jack Saltz to me personally known, who being by me duly sworn did say that he is the Vice President of Belco Petroleum Corporation and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument

STATE OF COLORADO )
CITY AND COUNTY OF DENVER ) ss.

Be it remembered, that on this 5th day of November, 1970, before me, the undersigned, a Notary Public in and for the county and state aforesaid, came JIM S. COOK, VICE President of CHANDLER & ASSOCIATES, INC., a COLORADO corporation, who is personally known to me to be such officer, and who is personally known to me to be the person who executed as such officer the within instrument of writing on behalf of such corporation, and such person duly acknowledged the execution of the same to be his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

In testimony whereof, I have hereunto set my hand and affixed my Notarial Seal the day and year last above written.

[redacted]

My Comm[redacted] May 27, 1972

EXHIBIT "A"

| ense Number | Township - Range | Description | Depth |
|---|---|---|---|
| [redacted]22932 | 26 North - 112 West | Section 2: NW¼SE¼ | 4142' |
| [redacted]-022930-A | 26 North - 112 West | Section 15: SE¼, S½NE¼ | 3659' |
| [redacted]-026056 | 26 North - 112 West | Section 14: SW¼ | 3659' |
| [redacted] 5663 | 29 North - 112 West | Section 17: SE¼NE¼ | 4335' |

W 015625

RECEIVED
Bureau of Land Management
Land Office
Cheyenne, Wyoming
APR 29 1970
7 8 9 10 11 12 1 2 3 4 5 6 PM

OPERATING AGREEMENT

THIS OPERATING AGREEMENT made and entered into as of the 25th day of February, 1970, by and between BELCO PETROLEUM CORPORATION, 630 Third Avenue, New York, New York 10017, hereinafter called "Belco" and CHANDLER & ASSOCIATES, INC., 1401 Denver Club Building, Denver, Colorado 80202, hereinafter called "Chandler";

W I T N E S S E T H:

WHEREAS, Belco owns and holds an interest in each of certain oil and gas leases covering lands in Sublette and Lincoln Counties, Wyoming, more fully described in Exhibit "A" attached hereto, and hereby made a part hereof; and

WHEREAS, the parties hereto are now desirous of entering into an agreement, covering the above described leases upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, for and in consideration of the premises, it is hereby mutually agreed as follows, with respect to each lease listed in Exhibit "A":

1. Rights Granted: Belco hereby assigns, grants and conveys to Chandler an undivided one half (1/2) of Belco's interest in the exclusive right and privilege of operating, testing and developing the lands described in Exhibit "A" for oil, gas, casinghead gas and other hydrocarbon substances under the terms of said oil and gas leases or any extensions or renewals thereof. Exhibit "A" describes by number fifteen (15) separate prospects and as to each such prospect there is shown the location of the initial test well and a subsurface depth in footage. This Assignment from Belco to Chandler shall cover as to each such prospect only those stratigraphic formations (regardless of the depth found on other parts of such prospect) which are found in the initial test well between the surface of the ground and the depth in footage attributable to such prospect. In connection therewith, Chandler shall be entitled to exercise, together with Belco, all rights and privileges granted to lessee under the terms of said oil and gas leases as to the stratigraphic formations herein assigned, and in the event of production of oil, gas, casinghead gas or other hydrocarbon substances from said formations, one half (1/2) of the same shall be owned by Chandler, subject to the proportionate payment of royalty due lessor under the terms of said leases and overriding royalty burdens existing of record as of March 1, 1969.

It is expressly agreed that Belco, for itself and its successors and assigns, hereby accepts, retains and reserves all of the oil, gas and hydrocarbon substances and leasehold estate lying below those stratigraphic formations which are herein assigned in part to Chandler. Sometimes hereinbelow, the title and depths in which Chandler is hereby assigned an interest are called "shallow zone" and the title and depths below the "shallow zone" are called the "deep zone".

2. Rights and Obligations: Belco and Chandler shall have concurrent and mutual easements to said lands for the purpose of exploring, drilling, producing, storing and marketing minerals from the respective zones of said parties, and the parties shall share in any and all rights granted by said oil and gas lease as incident to said exploration, drilling, producing, storing and marketing, and by way of example only, this shall include the right to lay pipe lines, water lines, power lines, dig pits, erect and do and perform any and all things reasonably necessary to the interest of the respective parties in their respective zone. Any operations on said lands shall be the separate operation of the party conducting the same and shall not be considered as a joint undertaking, joint operation or partnership. In their said separate respective operations, each party shall comply with the terms of said lease and all applicable laws, rules and regulations, and neither party shall be liable for the operations or acts of the other, and each party will protect and save the other harmless from all demands and causes of action arising directly or indirectly out of such separate operations.

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of the official records on file
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BUREAU OF [redacted] MANAGEMENT

3. Rentals: Belco will make a bona fide effort to pay all rentals which become due the lessor under the terms of said lease as to said lands, but shall not be liable for inadvertent failure to pay such rentals and shall only be liable for bad faith or gross negligence in failing to make such payment. Chandler shall reimburse Belco for Fifty (50%) percent of such payment within Fifteen (15) days after demand therefor. If Chandler shall fail or refuse to so reimburse Belco within Thirty (30) days after a demand therefor by registered mail, then at the option of Belco, Chandler's rights hereunder shall cease and terminate and he shall reassign and surrender said premises to Belco. Chandler and Belco shall pay any royalty, including minimum royalty, due the lessor under the terms of said oil and gas lease by reason of production from the zone of each respective party, and each party shall do and perform any and everything relating to its zone that may be necessary to keep said lease in good standing with the lessor as to said lands. Belco shall promptly furnish Chandler with copies of all notices or demands received from the lessor as to the above described lands with respect to any default or nonperformance as to said lands.

4. Surrender: If at any time either party desires to cease paying rentals or to surrender or release his title to his respective zone hereunder, or if either party desires to abandon the last producing well located on said lands, which is the sole well validating and extending the terms of said oil and gas lease, then such desiring to so surrender or release said title or abandon said well shall be called "Assignor" and the other party shall be called "Assignee" for the purpose of this paragraph. Assignor shall give Assignee notice in writing by registered mail of intention to release or surrender said title or abandon said well at least Sixty (60) days prior to the intended release date or abandonment date, but said date shall be not less than Sixty (60) days prior to the next annual rental payment date, and thereupon Assignee shall have the option to receive an assignment from Assignor of the land designated in said notice. Such notice shall designate at least the entire title of Assignor in such acreage of said lands as may be prescribed under the spacing or proration rules of the State Oil Conservation Commission, or equivalent body, for a well in the field, but in no event less than a Forty (40) acre legal subdivision. If Assignee elects to receive such assignment, Assignee shall so notify Assignor by registered mail within Thirty (30) days after the mailing of said notice of intention to release by Assignor and as quickly as reasonably possible, Assignor shall deliver Assignee a good and sufficient assignment of said lease or title, and Assignor shall thereupon be released from all liability hereunder and under said oil and gas lease thereafter accruing as to said lands. If Assignee does not so timely notify Assignor of the election to accept such assignment, then Assignor shall be free to release or surrender said lease or title as to the designated lands and thereupon Assignor shall be released from all liability hereunder and under said oil and gas lease thereafter accruing as to said lands.

5. Salvage: In the event Assignee elects to receive such assignment and there shall be a well or wells thereon belonging to Assignor, then Assignee shall have the option to take over any such well or wells by paying the salvage value of all casing, tubing, materials and other equipment in and upon said well and used in connection with producing

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BUREAU OF LAND MANAGEMENT

the same. The "salvage value" shall be the fair market value at the well site of the salvageable material located therein and thereon less the estimated reasonable cost of salvaging the same. If Assignee does not elect to take over such well and pay said salvage value, then Assignor shall salvage the same and plug and abandon the well. If Assignee elects to take over the well, Assignee shall pay the said salvage value upon tender of the above described assignment.

6. Ad Valorem Taxes: Ad valorem taxes, if any, on the above described shallow zone shall be apportioned as of date of first runs for the year. For all years subsequent thereto, each party shall render or assess its zone on all material and equipment appurtenant thereto and shall pay the ad valorem taxes, if any, thereon.

7. Notices: Notices given under this Agreement shall be by telegraph, certified mail or telephone; written confirmation of which will follow the latter method. Notices shall be sent to the addresses given in the preamble of this Agreement; provided, that if the notice to OWNER is of a geological nature, it shall be directed to the attention of Mr. John B. Dunnewald, office telephone number (212) 867-6300, home telephone number (914) RO 1-9045, with carbon copies to Belco Petroleum Corporation, Post Office Box 250, Big Piney, Wyoming 83113, Attention: Mr. Stuart McKinley.

For the purpose of this paragraph, the address of either party may be changed by giving written notice to the other party. If the interest of either party is now or is ever owned by more than two persons, then the other party may require that such co-owners designate in writing a common agent to whom all notices may be given in their behalf and upon failure to designate such common agent, then the other party may designate any of said co-owners as such agent with the same force and effect as if such common agent had been designated by the co-owners as above outlined.

8. No Warranty: This Agreement is made without warranty of title, either expressed or implied. The terms hereof shall be covenants running with the ownership of said above described oil and gas lease, and the interest conveyed hereby and shall bind and benefit the undersigned and their respective assigns, successors and personal representatives.

9. Term: Unless surrendered or reassigned as hereinabove provided, this agreement shall remain in full force and effect during the life of said oil and gas lease and any and all extensions and renewals thereof.

10. Approval: Either party may, if it so elects, file this operating agreement for approval with the appropriate office representing the lessor. Each party agrees to furnish to the other all future documents and things reasonably requested in order to obtain such approval.

11. Federal Lands Provision: The undersigned agree that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of Seventeen and One Half (17½%) percent, shall be suspended when the average production of oil per well per day average on the monthly basis is Fifteen (15) barrels or less.

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BUREAU OF LAND MANAGEMENT

12. This Agreement is subject to the terms of a certain agreement designated "Farmout Agreement", by and between the parties hereto, dated March 1, 1969, as amended.

IN WITNESS WHEREOF, this agreement is executed as of the day and year first above written.

ATTEST:

BELCO PETROLEUM CORPORATION

Stanley L. Waldbaum,
Assistant Secretary

Jack Saltz
Vice President

ATTEST:

CHANDLER & ASSOCIATES, INC.

Hubert L. White
Secretary

Jim S. Cook
Vice President

STATE OF NEW YORK )
)
COUNTY OF NEW YORK )

The foregoing instrument was acknowledged before me this _____day of

My Commission Expires:

Notary Public

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of the official records on file
NOV 10 1987
BUREAU OF LAND MANAGEMENT

STATE OF COLORADO )
)
COUNTY OF )

The foregoing instrument was acknowledged before me this _____day of

My Commission Expires:

Notary Public

STATE OF NEW YORK )
COUNTY OF NEW YORK )ss.

On this 25 day of February, 1970 before me appeared Jack Saltz to me personally known who being by me duly sworn did say that he is the Vice President of Belco Petroleum Corporation and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said Jack Saltz acknowledged said instrument to be the free act and deed of said corporation.

Given under my hand and seal this 25 day of February, 1970.

My Commission Expires:
REBA ROSENBLUM
NOTARY PUBLIC, STATE OF NEW YORK
No. 03-30-4123
Qualified in [illegible] County
(Certificate filed in New York County)
Commission Expires March 30, 1970

Notary Public

STATE OF ~~COLORADO~~ )
COUNTY OF ~~DENVER~~ )

On this 3 day of April, 1970 before me appeared Jim S. Cook to me personally known to be the Vice President of Chandler & Associates, Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that the said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said Jim S. Cook acknowledged said instrument to be the free act and deed of said corporation.

Given under my hand and seal this 3 day of April, 1970

Notary Public

My Commission Expires: May 27, 1973.

502

Sublette and Lincoln

EXHIBIT A

County, Wyoming

| PROSPECT NO. | LEASE NO. | TOWNSHIP | RANGE | DESCRIPTION | DEPTH* | LOCATION OF INITIAL TEST WELL |
|---|---|---|---|---|---|---|
| 852 | Waters | 28 North | 112 West | Section 35: Lots 6,7,10,11 | 3907' | NW¼NE¼ Sec. 34, T28N, R |
| 869-A | W-036663 | 29 North | 112 West | Section 17: $SW\frac{1}{4}NW\frac{1}{4}$, $E\frac{1}{2}W\frac{1}{2}$, $W\frac{1}{2}SE\frac{1}{4}$, $NE\frac{1}{4}SE\frac{1}{4}$ | 4062' | |
| | E-026115 | 29 North | 112 West | Section 20: $NW\frac{1}{4}NW\frac{1}{4}$ | " | |
| | E-024468 | 29 North | 112 West | Section 20: $SW\frac{1}{4}$, $SW\frac{1}{4}NW\frac{1}{4}$, $E\frac{1}{2}NW\frac{1}{4}$, $NE\frac{1}{4}$ | " | NE¼NE¼ Sec. 20, T29N, R112 |
| 869-B | E-021820 C | 29 North | 112 West | Section 21: $N\frac{1}{2}$ $NE\frac{1}{4}$ | 3850' | SE¼SW¼ Sec. 21, T29N, R112 |
| | E-024468 | 29 North | 112 West | Section 21: $S\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$ | " | |
| 930 | W-0156825 | 31 North | 113 West | Section 34: $SW\frac{1}{4}$ | 4050' | |
| | W-028193 | 31 North | 113 West | Section 34: $NW\frac{1}{4}SE\frac{1}{4}$ | " | |
| | W-055075 | 30 North | 113 West | Section 3 : $S\frac{1}{2}N\frac{1}{2}$, $S\frac{1}{2}$ | " | SE¼NW¼ Sec. 3, T30N, R113W |
| 931 | E-024966 | 30 North | 113 West | Section 23: $NE\frac{1}{4}$, $E\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{4}NW\frac{1}{4}$ | 4082' | NE¼NW¼ Sec. 23, T30N, R113 |
| | W-05504 | 30 North | 113 West | Section 14: $S\frac{1}{2}$ | " | |
| | E-024966 A | 30 North | 113 West | Section 23: $NW\frac{1}{4}NW\frac{1}{4}$ | " | |
| 932 | E-024538 | 30 North | 113 West | Section 25: $S\frac{1}{2}$ | 3854' | NW¼SE¼ Sec. 25, T30N, R113 |
| | W-034273 | 30 North | 113 West | Section 26: $SE\frac{1}{4}$ | " | |

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BUREAU OF LAND MANAGEMENT

*From the surface to the stated depth.

Sublette and Lincoln

EXHIBIT A
County, Wyoming

| PROSPECT NO. | LEASE NO. | TOWNSHIP | RANGE | DESCRIPTION | DEPTH* | LOCATION OF INITIAL TEST WELL |
|---|---|---|---|---|---|---|
| 933 | W-0270741 | 29 North | 111 West | Section 2: Lots 14, 15; Sec. 3: Lots 15,17,18<br>Section 4: Lot 10; Sec. 9: $NE\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}SE\frac{1}{4}$<br>Section 15: $W\frac{1}{2}$; Sec.27: $NE\frac{1}{4}$, $NE\frac{1}{4}NW\frac{1}{4}$; | 6254' | SE¼NW¼ Sec. 35, T29N, R111W |
| | W-0270784 | 29 North | 111 West | Section 10: All; Section 11: All; Section 14: All<br>Section 15: $E\frac{1}{2}$; Section 22: $E\frac{1}{2}$ | " | |
| | W-0200292 | 29 North | 111 West | Section 23: $NE\frac{1}{4}$, Sec.25: $NW\frac{1}{4}NW\frac{1}{4}$; Sec. 26: All<br>Section 34: $E\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$; Section 35: All | " | |
| | 66-14557 | 29 North | 111 West | Section 16: Parts of E3/4 | " | |
| 938 | 0-20928 | 28 North | 112 West | Section 16: $S\frac{1}{2}$, $NE\frac{1}{4}$, $E\frac{1}{2}NW\frac{1}{4}$ | 4130' | NE¼NW¼ Sec. 15, T28N, R112W |
| | McGinnis, V. | 28 North | 112 West | Section 16: $W\frac{1}{2}NW\frac{1}{4}$ | " | |
| 939 | Ball, Delbert J. | 28 North | 112 West | Section 21: $SE\frac{1}{4}$ | 4150' | SE¼NE¼ Sec. 21, T28N, R112W |
| 940 | W-027485 | 28 North | 112 West | Section 31: Lot 4 | 3339' | SE¼SW¼ Sec. 31, T28N, R112W |
| 941 | W-2120 | 28 North | 114 West | Section 15: $SW\frac{1}{4}$; Section 22: $SW\frac{1}{4}$ | 8720' | |
| | W-0318390 | 28 North | 114 West | Section 22: $NW\frac{1}{4}$ | " | |
| | WS-66-5165 | 28 North | 114 West | Section 16: $S\frac{1}{2}$ | " | |

*From the surface to the stated depth.

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495

Sublette and Lincoln

EXHIBIT A
County, Wyoming

| PROSPECT NO. | LEASE NO. | TOWNSHIP | RANGE | DESCRIPTION | DEPTH* | LOCATION OF INITIAL TEST WELL |
|---|---|---|---|---|---|---|
| 941 | W-11603 | 28 North | 114 West | Section 21: $E\frac{1}{2}$ | 8720' | |
| | W-038209 | 28 North | 114 West | Section 21: $N\frac{1}{2}NW\frac{1}{4}$, $SE\frac{1}{4}NW\frac{1}{4}$, $NE\frac{1}{4}SW\frac{1}{4}$ | " | |
| | W-0285479 | 28 North | 114 West | Section 21: $SW\frac{1}{4}NW\frac{1}{4}$ | " | |
| | W-3885 | 28 North | 114 West | Section 27: $NW\frac{1}{4}$ | " | NW¼NW¼ Sec. 27, T28N, R11 |
| | W-2121 | 28 North | 114 West | Section 28: $SW\frac{1}{4}NE\frac{1}{4}$ | " | |
| | W-8139 | 28 North | 114 West | Section 27: $SW\frac{1}{4}$; Section 28: $E\frac{1}{2}SE\frac{1}{4}$; Section 33: $E\frac{1}{2}NE\frac{1}{4}$ | " | |
| 944 | E-025548 | 27 North | 112 West | Section 26: All; Section 27: $E\frac{1}{2}$ | 3760' | SE¼NE¼ Sec. 27, T27N, R11 |
| 945 | E-022930 A | 26 North | 112 West | Section 10: $S\frac{1}{2}$; Section 15: All | 3880' | SE¼SW¼ Sec. 15, T26N, |
| 946 | E-026056 | 26 North | 112 West | Section 11: $S\frac{1}{2}$; Section 14: All | 4150' | NW¼NW¼ Sec. 14, T26N, R11 |
| 947 | E-023313 A | 26 North | 112 West | Section 12: Lots 3, 4, $W\frac{1}{2}E\frac{1}{2}$; Sec. 13: $W\frac{1}{2}$ | 3975' | SE¼NW¼ Sec. 13, T26N, R11 |
| | E-023313 B | 26 North | 112 West | Section 12: $W\frac{1}{2}$; Sec. 13: Lots 3, 4, $W\frac{1}{2}E\frac{1}{2}$ | " | |
| | E-023313 D | 26 North | 112 West | Section 12: Lots 1, 2 | " | |
| | E-023313 E | 26 North | 112 West | Section 13: Lots 1, 2 | " | |

*From the surface to the stated depth.



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of the official records on file
NOV 10 1987
BUREAU OF LAND MANAGEMENT

RECEIVED
Bureau of Land Management
Land Office
Cheyenne, Wyoming
JUN 24 1970
AM 7|8|9|10|11|12|1|2|3|4|5|6

REQUEST FOR APPROVAL OF ASSIGNME.
Assignee hereby requests approval of assignment

1a. Is the assignee over 21 years of age *and* a citizen of the United States? ☐ Yes ☐ No

b. Is the assignee a corporation or other legal entity? ☒ Yes ☐ No *(If "yes," specify kind)*
a Colorado Corporation

c. If a corporation, attach qualifications or if already on file, give serial number of case file C-0123463
qualifications remain current

2. Is the assignee the sole party in interest in this assignment? ☒ Yes ☐ No *(If "no," information as to interests of other parties in the assignment must be furnished as prescribed in Item 3 of the Instructions)*

3. Is the filing fee of $10 attached? ☒ Yes ☐ No

ASSIGNEE CERTIFIES That assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,080 chargeable acres in options and leases in the same State; or 300,000 chargeable acres in leases and options in each leasing district in Alaska.

Assignee agrees to be bound by the terms and provisions of the lease described herein, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

This form is submitted in lieu of official Form 3120-13, and contains all of the provisions thereof as of the date of filing of this assignment.

IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith.

Executed this 3 day of April, 19 70

ATTEST:

Hubert L. White

Hubert L. White, Secretary

CHANDLER & ASSOCIATES, INC.

Jim A. Cook

Jim A. Cook (Assignee's Signature)
Vice President

1401 Denver Club Building, Denver, Colorado 80202
(Address)

# CORRECTION ASSIGNMENT OF OVERRIDING ROYALTY INTEREST IN UNITED STATES OIL AND GAS LEASE W-59776

STATE OF WYOMING )
)
COUNTY OF SUBLETTE )

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, by Assignment of Overriding Royalty dated November 2, 1987, and recorded in Book 880, Page 338, Records of Sublette County, Wyoming ("Original Assignment"), Dorothy Langley and W. J. Langley ("Assignors") conveyed unto D & J Trust ("Assignee") an undivided 6¼% of 8/8ths overriding royalty interest in Federal Oil and Gas Lease W-59776 covering the following described lands in Sublette County, Wyoming, to-wit:

Township 27 North, Range 111 West, 6th P.M.
Section 10: NE¼SW¼

Containing 40.00 acres, more or less;

WHEREAS, Assignors and Assignee hereby agree that the amount of overriding royalty described as 6¼% of 8/8ths and conveyed in the Original Assignment was incorrect; and,

WHEREAS, Assignors and Assignee desire to correct and amend said assignment as hereinafter set forth.

NOW, THEREFORE, for Ten Dollors ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned ASSIGNORS and ASSIGNEE do hereby correct and amend the Original Assignment by substituting the term "5.0% of 8/8ths" wherever the term "6¼% of 8/8ths" appears in the Original Assignment.

Except as herein amended and corrected the Original Assignment and all terms, covenants and conditions thereof shall remain in full force and effect.

IN WITNESS WHEREOF, this instrument is executed this 14th day of November, 1987, but shall be effective as of November 2, 1987.

218962

RECORDED Nov. 30 19 87 1:45 PM
IN BOOK 80 of G PAGE 507
FEES 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

ASSIGNORS

Dorothy Langley
Dorothy Langley

W. J. Langley
W. J. Langley

ASSIGNEE

D & J Trust

W. J. Langley, Trustee
W. J. Langley, Trustee

STATE OF TEXAS X
X
COUNTY OF DALLAS X

This instrument was acknowledged before me this 14th day of November, 1987, by Dorothy Langley and W. J. Langley.

My Commission Expires:

June 7, 1988

Notary Public in and for the
State of Texas
Notary's Printed Name:
Jack L. Macdowell

STATE OF TEXAS X
X
COUNTY OF DALLAS X

This instrument was acknowledged before me this 14th day of November, 1987, by W. J. Langley as Trustee of D & J Trust.

My Commission Expires:

June 7, 1988

Notary Public in and for the
State of Texas
Notary's Printed Name:
Jack L. Macdowell

509

BOOK 116 PAGE 564

245800
DOCUMENT NO. 311630

# QUITCLAIM DEED

THIS INDENTURE, made the 14th day of May, 1987 between W. C. KAUFMAN, JR., a/k/a William C. Kaufman, Jr., William C. Kaufman, and W. C. Kaufman, and BLANCHE R. KAUFMAN, a/k/a Blanche Reed Kaufman, Husband and Wife, both of 2604 Emerson Place, Billings, Montana 59101, the parties of the First Part, and FIRST TRUST COMPANY OF MONTANA, a banking corporation, First Bank Building, Billings, Montana 59101, as Trustee, the party of the Second Part,

WITNESSETH: That the said parties of the First Part for and in consideration of the sum of Ten Dollars and Other Valuable Consideration ($10.00 OVC) to them in hand paid by the said party of the Second Part, receipt of which is hereby acknowledged; do hereby convey, remise, release and forever quitclaim unto the said party of the second part, and to its successors and assigns, all right, title and interest in and to the following property, whether real or personal, more fully described in Schedule A, annexed hereto and by reference made a part hereof, together with all the tenements, hereditaments, and appurtenances thereto belonging, and the reversion and reversions, remainder and remainders; xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx and also all the estate, right, title, interest in and to said property, possession, claim and demand whatsoever as well in law as in equity, of said parties of the first part, of, in or to the said premises and every part and parcel thereof.

TO HAVE AND TO HOLD, all and singular the said premises, with the appurtenances unto the said party of the second part, its successors and assigns, subject to that Trust Agreement dated the 14th day of May, 1987.

IN WITNESS WHEREOF, the said parties of the first part have hereunto set their hands and seals the day and year first above written.

218963

RECORDED Nov. 30 1987 1:50 PM
IN BOOK 80 O&G PAGE 509
FEES $ 6.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

W. C. KAUFMAN, JR.

Blanche R. Kaufman
BLANCHE R. KAUFMAN

STATE OF MONTANA )
: ss.
County of Yellowstone )

On this 14th day of May, 1987, before me, the undersigned, a Notary Public for the State of Montana, personally appeared W. C. KAUFMAN, JR. and BLANCHE R. KAUFMAN, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official seal the day and year in this certificate first above written.

Raymond Reeta
Notary Public, State of Montana,
Residing at Billings, Montana;
My Commission expires: 1/6/89.

Book 300 Page 47

SCHEDULE A

SUBLETTE COUNTY, WYOMING

Township 27 North, Range 111 West

Section 5: W½
Section 6: S½NE¼;SE¼
Section 7: NE¼
Section 8: NW¼;N½SW¼

511

00767-4

Form 3110-2
(January 1978)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OFFER TO LEASE AND
LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)
Act of February 25, 1920 (41 Stat. 437), as amended (30 U.S.C. 181–263)

Name
Street
City
State
Zip Code

Joy Altrogge
6901 E. Walsh Place
Denver, Colorado 80224

W-85922
(Serial Number)

This oil and gas lease is issued for a period of ten (10) years to the above-named lessee pursuant and subject to the provisions of the Mineral Leasing Act and subject to all rules and 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.

Lands included in the lease: State: Wyoming County: Sublette

T. 34 N., R. 115 W., 6th Prin Mer
Sec 10: N½, N½SW¼

218965

RECORDED Nov. 30 19 87 2:00 P M
IN BOOK 80 O & G PAGE 511
FEES $ 26.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

Rental (a) (ii) Beginning 6th Year, $3 per acre or Fraction Thereof

| | | | |
|---|---|---|---|
| Containing a total of | 400.00 acres | Annual Rental . . . . . | $ 400.00 |

This lease is issued to the successful drawee pursuant to the Simultaneous Oil and Gas Lease application filed under 43 CFR 3112, and is subject to the provisions of that application and those specified on the reverse side hereof.

FOR BLM USE ONLY:

THE UNITED STATES OF AMERICA

By Joy Altrogge
(Offeror/Lessee Signature)

By _____
(Signature of Signing Official) ANDREW L. TARSHIS

(Title)

ACTING Chief, Oil & Gas Section
(Title)

(Atty-in-fact or Agent's Signature)

FEB 29 1984
(Date)

9-7-83
(Date Signed)

Effective date of lease: MAR 01 1984

# LEAS[redacted]RMS

[redacted]

Sec. 1 [illegible] the lessee is granted the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits except helium gas, in the lands leased, 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 10 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 inconsistent with the terms of this lease.

Sec. 2. The lessee agrees:

(a) *Bond.*—(1) To file any bond required by this lease and the current regulations and until such bond is filed not to enter on the land under this lease. (2) To maintain any bond furnished by the lessee as a condition for the issuance of this lease. (3) To furnish a bond in a sum double the amount of $2 per acre annual rental but not less than $1,000 nor more than $10,000, upon the inclusion of any part of the leased land within the known geologic structure of a producing oil or gas field. (4) 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. (5) Until a general lease bond is filed to furnish and maintain a bond in the penal sum of not less than $1,000 in those cases in which a bond is required by law for the protection of the owners of surface rights in lieu of any of the bonds described herein, the lessee may file such other bond as the regulations may permit.

(b) *Cooperative or unit plan.*—Within 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 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) *Drilling.*—(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; and (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.

(d) *Rentals and royalties.*—(1) To pay rentals and royalties in amounts or value of production removed or sold from the the leased lands as follows:

*Rentals.*—To pay the lessor in advance an annual rental at the following rates:

(a) If the lands are wholly outside the known geologic structure of a producing oil or gas field:

(i) For each lease year a rental of $1.00 per acre or fraction of an acre.

(b) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field:

(i) Beginning with the first lease year after 30 days' notice that all or part of the land is included in such a structure and for each year thereafter, prior to a discovery of oil or gas on the lands leased, $2 per acre or fraction of an acre.

(ii) If this lease is committed to an approved cooperative or unit plan which includes a well capable of producing oil or gas and contains a general provision for allocation of production, the rental prescribed for the respective lease years in subparagraph (a) of this section, shall apply to the acreage not within a participating area.

*Minimum royalty.*—Commencing with the lease year beginning on or after a discovery on the leased land, to pay the lessor in lieu of rental, a minimum royalty of $1 per acre or fraction thereof at the expiration of each lease year, or the difference between the actual royalty paid during the year if less than $1 per acre, and the prescribed minimum royalty of $1 per acre, provided that if this lease is unitized, the minimum royalty shall be payable only on the participating acreage and rental shall be payable on the nonparticipating acreage as provided in subparagraph (b)(ii) above.

*Royalty on production.*—(1) To pay the lessor 12½ percent royalty on the production removed or sold from the leased lands computed in accordance with the Oil and Gas Operating Regulations (30 CFR Pt. 221).

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gasoline, and other products obtained from gas, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters and, whenever appropriate, after notice and opportunity to be heard.

(3) When paid in value, such royalties on production shall be due and payable monthly on the last day of the calendar month next following the calendar month in which produced. When paid in amount of production, such royalty products shall be delivered in merchantable condition on the premises where produced without cost to lessor, unless otherwise agreed to by the parties hereto, at such times and in such tanks provided by the lessee as reasonably may be required by the lessor, but in no case shall the lessee be required to hold such royalty oil or other products in storage beyond the last day of the calendar month next following the calendar month in which produced nor be responsible or held liable for the loss or destruction of royalty oil or other products in storage from causes over which he has no control.

(4) Rentals or minimum royalties may be waived, suspended or reduced and royalties on the entire leasehold or any portion thereof segregated for royalty purposes may be reduced if the Secretary of the Interior finds that, for the purpose of encouraging the greatest ultimate recovery of oil or gas and in the interest of conservation of natural resources, it is necessary, in his judgment, to do so in order to promote development, or because the lease cannot be successfully operated under the terms fixed herein.

(e) *Payments.*—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, to the order of the Bureau of Land Management at the places mentioned in the regulation 43 CFR 3102.2. If there is no well on the leased lands capable of producing oil or gas in paying quantities, the failure to pay rental on or before the anniversary date shall automatically terminate the lease by operation of law. However, if the time for payment falls on a day in which the proper office to receive payment is closed, payment shall be deemed timely if made on the next official working day.

(f) *Contracts for disposal of products.*—To file with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract, or evidence of other arrangement, for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land; *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the Oil and Gas Operating Regulations.

(g) *Statements, plats and reports.*—At such times and in such form as the lessor may prescribe, to furnish detailed statements showing the amounts and quality of all products removed and sold from this lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost; a plat showing development work and improvements on the leased lands; and a report with respect to stockholders, investments, depreciation and costs.

(h) *Well records.*—To keep a daily drilling record, a log, and [illegible] tests in form acceptable [illegible] of all wells drilled on the leased lands, and an acceptable record of all subsurface investigations affecting said lands, and to furnish them, or copies thereof, to the lessor when required. All information obtained under this paragraph, upon the request of lessee, shall not be open to inspection by the public until the expiration of the lease.

(i) *Inspection.*—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(j) *Diligence, prevention of waste, health and safety of workmen.*—To exercise reasonable diligence in drilling and producing the wells herein provided for unless consent to suspend operations temporarily is granted by the lessor; to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to coal measures or other mineral deposits, for conservation of gas energy, for the preservation and conservation of the property for future productive operations, and for the health and safety of workmen and employees; to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any prior lease or permit upon which the right to this lease was based before abandoning the same; to carry out at expense of the lessee all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purpose of such orders at the lessee's cost: *Provided*, That the lessee shall not be held responsible for delays or casualties occasioned by causes beyond lessee's control.

(k) *Taxes and wages, freedom of purchase.*—To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, oil, and gas produced from the lands hereunder, or other rights, property, or assets of the lessee; to accord all workmen and employees complete freedom of purchase, and to pay all wages due workmen and employees at least twice each month in the lawful money of the United States.

(l) *Equal Opportunity clause.*—During the performance of this contract the lessee agrees as follows:

(1) *Equal Opportunity clause.*—During the performance of this lease, the lessee agrees as follows:

(1) The lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this Equal Opportunity clause.

(2) The lessee will, in all solicitations or advertisements for employees placed by or on behalf of the lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The lessee will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the lessee's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The lessee will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the lessee's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The lessee will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The lessee will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however*, That in the event the lessee becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the lessee may request the United States to enter into such litigation to protect the interests of the United States.

(m) *Assignment of oil and gas lease or interest therein.*—As required by applicable law, to file for approval by the lessor any instrument of transfer made of this lease or any interest therein, including assignments of record title, operating agreements and subleases, working or royalty interests, within 90 days from the date of final execution thereof.

(n) *Pipelines to purchase or convey at reasonable rates and without discrimination.*—If owner, or operator, or owner of a controlling interest in any pipeline or of any company operating the same which may be operated accessible to the oil or gas derived from lands under this lease, to accept and convey and, if a purchaser of such products to purchase at reasonable rates and without discrimination the oil or gas of the Government or of any citizen or company not the owner of any pipeline, operating a lease or purchasing or selling oil, gas, natural gasoline, or other products under the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913, 30 U.S.C. sec. 351).

(o) *Lands patented with oil and gas deposits reserved to the United States.*—To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the laws reserving to the United States the deposits of oil and gas therein, subject to such conditions as are or may hereafter be provided by the laws reserving such oil or gas.

(p) *Reserved or segregated lands.*—If any of the land included in this lease is embraced in a reservation or segregated for any particular purpose, to conduct operations thereunder in conformity with such requirements as may be made by the Director, Bureau of Land Management, for the protection and use of the land for the purpose for which it was reserved or segregated, so far as may be consistent with the use of the land for the purpose of this lease which latter shall be regarded as the dominant use unless otherwise provided herein or separately stipulated.

(q) *Protection of surface, natural resources, and improvements.* The lessee agrees to take such reasonable steps as may be needed to prevent operations on the leased lands from unnecessarily: (1) causing or contributing to soil erosion or damaging crops, including forage, and timber growth thereon or on Federal or non-Federal lands in the vicinity; (2) polluting air and water; (3) damaging improvements owned by the United States or other parties; or (4) destroying, damaging or removing fossils, historic or prehistoric ruins, or artifacts and upon any partial or total relinquishment or the termination or expiration of this lease, or at any other time prior thereto when required and to the extent deemed necessary by the lessor to fill any pits, ditches and other excavations, remove or cover all debris, and so far as reasonably possible, restore the surface of the leased land and access roads to their former condition, including the removal of structures as and if required. The lessor may prescribe the steps to be taken and restoration to be made with respect to the leased lands and improvements thereon whether or not owned by the United States. *Antiquities and objects of historic value.* When American antiquities or other objects of historic or scientific interest including but not limited to historic or prehistoric ruins, fossils or artifacts are discovered in the performances of this lease, the item(s) or condition(s) will be left intact and immediately brought to the attention of the contracting officer or his authorized representative.

(r) *Overriding royalties.*—Not to create overriding royalties in excess of five percent except as otherwise authorized by the regulations.

(s) *Deliver premises in cases of forfeiture.*—To deliver up to the lessor in good order and condition the land leased including all improvements which are necessary for the preservation of producing wells.

Sec. 3. The lessor reserves:

(a) *Easements and rights-of-way.*—The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the lands leased, occupied, or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in the act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) *Disposition of surface.*—The right to lease, sell, or otherwise dispose of the surface of the leased lands under existing law or laws hereafter enacted, insofar as said surface is not necessary for the use of the lessee in the extraction and removal of the oil and gas therein, or to dispose of any resource in such lands which will not unreasonably interfere with operations under this lease.

(c) *Monopoly and fair prices.*—Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interests of the United States, to prevent monopoly, and to safeguard the public welfare.

(d) *Helium.*—Pursuant to Section 1 of the act as amended, the ownership of helium and the right to extract or have it extracted from all gas produced under this lease, subject to such rules and regulations as shall be prescribed by the Secretary of the Interior. If the lessor elects to take the helium, the lessee shall deliver all or any portion of gas containing the same to the lessor, in the manner required by the lessor, at any point on the leased premises, or, if the area is served at the time of production by a gas-gathering system owned or operated by the lessee, at any point in that system specified by the lessor, for extraction of the helium by such means as the lessor may provide. The residue shall be returned to the lessee, with no substantial delay in the delivery of the gas produced from the well to the owner or purchaser thereof. Save for the value of the helium extracted, the lessee shall not suffer a diminution of the value of the gas produced from the well, or loss otherwise, including any expense caused solely by the requirement of the delivery of the gas to permit the extraction of helium, for which he is not reasonably compensated. The lessor reserves the right to erect, maintain, and operate any and all reduction works necessary for extraction of helium on the leased premises. The lessee further agrees to include in any contract of sale of gas from the lands subject to this lease provisions setting forth that the lessor owns, and reserves the right to extract or have extracted, any helium in the gas sold, and that the lessor may take the gas from a pipeline carrier or any other gas-gathering system and extract the helium and return the gas to the owner thereof, without delay other than that caused by the extraction process; save for the value of the helium, the owner shall not suffer any diminution of the value of the gas from which helium has been extracted, or any other loss arising from the extraction of helium, including any expense caused solely by the requirement of the delivery of the gas to permit the extraction of helium, for which he is not reasonably compensated. It is further agreed that any rights reserved vested in the lessor under this paragraph shall also run to any agent or assignee of the lessor or any purchaser of the rights of the lessor.

(e) *Taking of royalties.*—All rights pursuant to section 36 of the act to take royalties in amount or in value of production.

(f) *Casing.*—All rights pursuant to section 40 of the act to purchase casing, and lease or operate valuable water wells.

Sec. 4. *Drilling and producing restrictions.*—It is agreed that the rate of prospecting and developing and the quantity and rate of production from the lands covered by this lease shall be subject to control in the public interest by the Secretary of the Interior, and in the exercise of his judgment the Secretary may take into consideration, among other things, Federal laws, State laws, and regulations issued thereunder, or lawful agreements among operators regulating either drilling or production, or both. After unitization, the Secretary of the Interior, or any person, committee, or State or Federal officer or agency so authorized in the unit plan, may alter or modify from time to time, the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease.

Sec. 5. *Surrender and termination of lease.*—The lessee may surrender this lease or any legal subdivision thereof by filing in the proper land office a written relinquishment, in triplicate, which shall be effective as of the date of filing subject to the continued obligation of the lessee and his surety to make payment of all accrued rentals and royalties and to place all wells on the land to be relinquished in condition for suspension or abandonment in accordance with the applicable lease terms and regulations.

Sec. 6. *Purchase of materials, etc., on termination of lease.*—Upon the expiration of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools, and materials other than improvements needed for producing wells. Any materials, tools, appliances, machinery, structures, and equipment subject to removal as above provided, which are allowed to remain on the leased lands shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted because of adverse climatic conditions throughout said period: *Provided*, That the lessee shall remove any or all of such property where so directed by the lessor.

Sec. 7. *Proceedings in case of default.*—If the lessee shall not comply with any of the provisions of the act or the regulations thereunder or of the lease, or shall make default in the performance or observance of any of the terms hereof (except that of payment of annual rental which results in the automatic termination of the lease), and such default shall continue for a period of 30 days after service of written notice thereof by the lessor, this lease may be canceled by the Secretary of the Interior in accordance with section 31 of the act, except that if this lease covers lands known to contain valuable deposits of oil or gas, the lease may be canceled only by judicial proceedings in the manner provided in section 31 of the act; but this provision shall not be construed to prevent the exercise by the lessor of any legal or equitable remedy which the lessor might otherwise have. Upon cancellation of this lease, any casing, material, or equipment determined by the lessor to be necessary for use in plugging or preserving any well drilled on the leased land shall become the property of the lessor. A waiver of any particular cause of cancellation and forfeiture shall not prevent the cancellation and forfeiture of this lease for any other cause of cancellation and forfeiture, or for the same cause occurring at any other time.

Sec. 8. *Heirs and successors-in-interest.*—It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 9. *Unlawful interest.*—It is also further agreed that no Member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Sec. 3741 of the Revised Statutes of the United States, as amended (41 U.S.C. Sec. 22) and Secs. 431, 432, and 433 Title 18 U.S. Code, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

GPO 845 – 535

512

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00767-6

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SURFACE DISTURBANCE NOTICE

Surface Management Agency:

BLM District Manager
Highway 187 North
P. O. Box 1869
Rock Springs, Wyoming 82901

PLEASE REFER TO ITEM (12)
OF FORM 3109-3

The surface management agency has reviewed existing information and planning documents and, except as noted in attached special stipulations, knows of no reason why normal exploration, development, and production cannot proceed on the leased lands. However, prior to disturbing the surface of the leased lands, the lessee should contact the surface management agency to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Lessees must comply with the onshore oil and gas operations regulations, Operating Orders, and Notices to Lessees.

00767-6

NOTICE

Due to the enactment of Public Law 97-78, signed by the President November 16, 1981, this lease contains an additional term specifying the rights and obligations of an oil and gas lease issued subsequent to that Act. This term merely specifies what the impact of passage of that Act has done to a Federal oil and gas lease issued on or after November 16, 1981. In order to reduce the expense and delay involved in the execution of this additional term in the standard lease, we have included the clause and are hereby notifying you of its inclusion in the lease. This term simply states the provisions of law now that oil and gas and tar sands rights are subject to the same lease and preserves to the Department the right to approve or disapprove a plan of operations.

STIPULATION FOR NON-CONVENTIONAL OIL RECOVERY

"Under the provisions of Public Law 97-78, this lease includes all deposits of non-gaseous hydrocarbon substances other than coal, oil shale, or gilsonite (including all vein-type solid hydrocarbons). Development by methods not conventionally used for oil and gas extraction such as fire flooding and including surface mining will require the lessee to submit a plan of operations and will be subject to regulations governing development by such methods when those rules are issued by the Bureau of Land Management (BLM), and the rules or procedures of the surface managing agency, if other than BLM. Development may proceed only if the plan of operations is approved."

9-7-83
Date

Signature

00767-6

CULTURAL RESOURCES STIPULATION

The Federal surface management agency is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures. Prior to undertaking any suface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the authorized officer of the surface management agency or BLM as appropriate, shall:

1. Contact the appropriate BLM office on lands managed by BLM or the appropriate surface managing agency on lands where the surface is administered by such agency to determine if a site specific cultural resource inventory is required. If a survey is required, then;

2. Engage the services of a qualified cultural resource specialist acceptable to the Federal surface management agency to conduct an intensive inventory for evidence of cultural resource values;

3. Submit a report acceptable to the authorized officer of the surface management agency; and

4. Implement mitigation measures required by the surface management agency to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing and salvage or other protective measures. Where impacts cannot be mitigated to the satisfaction of the surface managing agency, surface occupancy on that area must be prohibited.

The lessee or operator shall immediately bring to the attention of the Bureau of Land Management or the authorized officer of the Federal surface management agency any cultural resources or any other object of scientific interest discovered as a result of surface operations under this lease, and not disturb such discoveries until directed to proceed by the Bureau of Land Management.

Date 9-7-83 Signature Jay Altmayer

00767-6

Form 3109–3
(June 1971)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# STIPULATION FOR LANDS UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE*

The lands embraced in this lease or permit being under the jurisdiction of the Secretary of Agriculture, the lessee or permittee hereby agrees:

(1) To conduct all operations authorized by this lease or permit with due regard for good land management, not to cut or destroy timber without first obtaining permission from the authorized representative of the Secretary of Agriculture, and to pay for all such timber cut or destroyed at the rates prescribed by such representative; to avoid unnecessary damage to improvements, timber, crops, or other cover; unless otherwise authorized by the Secretary of Agriculture, not to drill any well, carry on operations, make excavations, construct tunnels, drill, or otherwise disturb the surface of the lands within 200 feet of any building standing on the lands and whenever required, in writing, by the authorized representative of the Secretary of Agriculture to fence or fill all sump holes, ditches, and other excavations, remove or cover all debris, and so far as reasonably possible, restore the surface of the lands to their former condition, including the removal of structures as and if required, and when required by such representative to bury all pipelines below plow depth.

(2) To do all in his power to prevent and suppress forest, brush, or grass fires on the lands and in their vicinity, and to require his employees, contractors, subcontractors, and employees of contractors or subcontractors to do likewise. Unless prevented by circumstances over which he has no control, the lessee or permittee shall place his employees, contractors, subcontractors, and employees of contractors and subcontractors employed on the lands at the disposal of any authorized officer of the Department of Agriculture for the purpose of fighting forest, brush, or grass fires on or originating on the lands or on adjacent areas or caused by the negligence of the lessee or permittee or his employees, contractors, subcontractors and employees of contractors and subcontractors, with the understanding that payment for such services shall be made at rates to be determined by the authorized representative of the Secretary of Agriculture, which rates shall not be less than the current rates of pay prevailing in the vicinity for services of a similar character: *Provided,* that if the lessee or permittee, his employees, contractors, subcontractors, or employees of contractors or subcontractors, caused or could have prevented the origin or spread of said fire or fires, no payment shall be made for services so rendered.

During periods of serious fire danger to forest, brush, or grass, as may be specified by the authorized representative of the Secretary of Agriculture, the lessee or permittee shall prohibit smoking and the building of camp and lunch fires by his employees, contractors, subcontractors, and employees of contractors or subcontractors within the area involved except at established camps, and shall enforce this prohibition by all means within his power: *Provided,* that the authorized representative of the Secretary of Agriculture may designate safe places where, after all inflammable material has been cleared away, campfires may be built for the purpose of heating lunches and where, at the option of the lessee or permittee, smoking may be permitted.

The lessee or permittee shall not burn rubbish, trash, or other inflammable materials *except* with the consent of the authorized representative of the Secretary of Agriculture and shall not use explosives in such a manner as to scatter inflammable materials on the surface of the lands during the forest, brush, or grass fire season, *except* as authorized to do so or on areas approved by such representative.

The lessee or permittee shall build or construct such fire lines or do such clearing on the lands as the authorized representative of the Secretary of Agriculture decides is essential for forest, brush, and grass fire prevention which is or may be necessitated by the

* This form of stipulation may be used in connection with leases and permits issued under the Acts of February 25, 1920, as amended (30 U.S.C. 181 *et seq.*); August 7, 1947 (30 U.S.C. 351 *et seq.*); February 7, 1927, as amended (30 U.S.C. 281 *et seq.*); April 17, 1926, as amended (30 U.S.C. 271 *et seq.*); June 28, 1944 (58 Stat. 483–485); September 1, 1949 (30 U.S.C. 192c); June 30, 1950 (16 U.S.C. 508b); or under the authority of any of the Acts cited in Section 402 of the President's Reorganization Plan No. 3 of 1946 (5 U.S.C. 133y–16, Note).

exercise of the privileges authorized by this lease or permit, and shall maintain such fire tools at his headquarters or at the appropriate location on the lands as are deemed necessary by such representative.

(3) In the location, design, construction, and maintenance of all authorized works, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures or clearance, the lessee or permittee shall do all things reasonably necessary to prevent or reduce to the fullest extent scarring and erosion of the lands, pollution of the water resources and any damage to the watershed. Where construction, operation, or maintenance of any of the facilities on or connected with this lease or permit causes damage to the watershed or pollution of the water resources, the lessee or permittee agrees to repair such damage and to take such corrective measures to prevent further pollution or damage to the watershed as are deemed necessary by the authorized representative of the Secretary of Agriculture.

(4) If in the opinion of the authorized representative of the Secretary of Agriculture, the lands are valuable for watershed protection, the lessee or permittee shall provide for control of surface runoff and return the affected area to as productive condition as practicable.

(5) To pay the lessor or permitter or his tenant or the surface owner or his tenant, as the case may be, for any and all damage to or destruction of property caused by the lessee's or permittee's operations hereunder; to save and hold the lessor or permitter or the surface owner or their tenants harmless from all damage or claims for damage to persons or property resulting from the lessee's or permittee's operations under this lease or permit.

(6) To recognize existing uses and commitments, in the form of Department of Agriculture grazing, timber cutting, and special use permits, water developments, ditch, road, trail, pipeline, telephone line, and fence rights-of-way and other similar improvements, and to conduct his operations so as to interfere as little as possible with the rights and privileges granted by these permits or with other existing uses.

(7) To install and maintain cattle guards to prevent the passage of livestock in any openings made in fences by the lessee or permittee or his contractors to provide access to the lands covered by this lease or permit for automotive and other equipment.

(8) If lessee or permittee shall construct any camp on the lands, such camp shall be located at a place approved by the authorized representative of the Secretary of Agriculture, and such representative shall have authority to require that such camp be kept in a neat and sanitary condition.

(9) To comply with all federally-approved rules and regulations of the Secretary of Health, Education, and Welfare governing the emission of pollutants into the air from activities which are embraced in this lease or permit.

(10) To comply with all the rules and regulations of the Secretary of Agriculture governing the national forests or other lands under his jurisdiction which are embraced in this lease or permit.

(11) Unless otherwise authorized, prior to the beginning of operations to appoint and maintain at all times during the term of this lease or permit a local agent upon whom may be served written orders or notices respecting matters contained in this stipulation, and to inform the authorized representative of the Secretary of Agriculture, in writing, of the name and address of such agent. If a substitute agent is appointed, the lessee or permittee shall immediately so inform the said representative.

(12) To address all matters relating to this stipulation to

at REGIONAL FORESTER
U.S. FOREST SERVICE
FOREST SERVICE BUILDING
OGDEN, UT 84400

who is the authorized representative of the Secretary of Agriculture, or to such other representative as may from time to time, be designated, provided that such designation shall be in writing and be delivered to the lessee or permittee or his agent.

(Signature of Lessee)

GPO 850-292

00767-6

Serial No. _____

CEI # 10-66251

CONTROLLED OR LIMITED SURFACE USE STIPULATION 34-115

This stipulation may be modified when specifically approved in writing by the District Manager, Bureau of Land Management, with concurrence of the Federal surface management agency. Distances and/or time periods may be made less restrictive depending on the actual onground conditions.

The lessee/operator is given notice that all or portions of the lease area may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Any surface use or occupancy within such special areas will be strictly controlled. Use or occupancy will be authorized only when the lessee/operator demonstrates that the special area is essential for operations in accordance with a surface use and operations plan which is satisfactory to the Bureau of Land Management and the Federal surface management agency for the protection of such special areas and existing or planned uses. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing oil and gas wells; however, in extremely critical situations, occupancy may be allowed.

After the Federal surface management agency has been advised of specific proposed surface use of occupancy on these lands, and on request of the lessee/operator, the agency will furnish specific locations and additional information on such special areas.

Description:

T 34 N, R 115 W, 6th Prin Mer, WY
Sec 10: N½, N½SW¼

Reason for Restriction:

Elk Summer Concentration

Duration of Restriction:

Summer Months

9-7-83
DATE

Jay Altmayer
SIGNATURE

519

00767-6

CONDITIONAL NO SURFACE OCCUPANCY STIPULATION

The lessee agrees not to occupy or use the surface of the leased lands in Section 10: N½, N½SW¼ (legal description) except for certain limited uses as permitted in writing by an authorized officer of the surface management agency. This stipulation, at a later date, may be modified, supplemented, eliminated, or remain unchanged. Alteration of the stipulation will be conditional upon the preparation of a site-specific environmental assessment, or if required, an environmental statement. In the event this stipulation is eliminated, it will be replaced by other special stipulations as required to protect the surface resources.

DATE 9-7-83 SIGNATURE Jay Altmayer

00767-6

Serial No. _____

To maintain esthetic values, all semi-permanent and permanent facilities may require painting or camouflage to blend with the natural surroundings. The paint selection or method of camouflage will be subject to approval by the District Manager, Bureau of Land Management, with the concurrence of the authorized officer of the Federal surface management agency.

9-7-83
DATE

Jay Altmayer
SIGNATURE

521

00767-6

Activity Coordination Stipulation

This lease includes lands within visually sensitive areas which has resource values sensitive to high levels of activity. In order to minimize impacts to these resources, special conditions, such as unitization prior to approval of operations, and/or other limitations to spread surface disturbance activities over time and space may be required prior to approval and commencement of any operations on the lease.

DATE 9-7-83

SIGNATURE Jay Altmayer

00767-6

Forest Service Supplment
to Form 3109-3

SURFACE OCCUPANCY STIPULATION

1. Lessee agrees not to enter upon the lease area or disturb the surface for exploration or drilling purposes until either:

(a) An inventory of archeological, paleontological, and historical sites is made by the surface management agency or its designated representative, or

(b) Lessee has made or caused to be made an inventory of all archeological, paleontological, and historical sites in those areas of the lease subject to development, occupancy, or surface disturbance. The survey must be made by a qualified archeologist acceptable to the surface management agency and the results of this survey provided to the surface management agency. Costs of this survey will be borne by the lessee. After inventory by either lessee's archeologist or the surface management agency, reasonable conditions of use will be prepared to protect the sites or salvage objects of antiquity in accordance with the Antiquities Act of June 8, 1906 (34 Stat. 225; 16 USC 431), and the Historical Sites Act of August 21, 1935 (49 Stat. 666; 16 USC 461-467). Costs of salvage of artifacts will be borne by the lessee and all objects of antiquity salvaged will remain the property of the U. S. Government.

2. No occupancy of the surface in the following areas is authorized by this lease. The lessee may employ directional drilling to develop the oil and gas resources under these areas, provided that such drilling or other works will not disturb the surface area or otherwise interfere with their use by the surface management agency. The areas to be excluded from surface occupancy unless specifically approved in the operating plan are:

(a) Within 500 feet of either side of the centerline of any and all roads and/or highways within the lease area.

(b) Within 200 feet on either side of the centerline of any and all designated trails within the lease area.

(c) Within 500 feet of the normal high waterline of any and all streams, lakes, ponds, and reservoirs located within the lease area.

(d) Within 400 feet of any and all springs within the lease area.

(e) Within 400 feet of any improvements either owned, permitted, leased, or otherwise authorized by the surface management agency.

9-7-83
DATE

Joy Altmayer
SIGNATURE

Pinedale A 5902(G)-1

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Meridian Oil Production Inc., P.O. Box 1855, Billings, Montana 59103 (Hereinafter referred to as Assignor) for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto American Hunter Exploration Ltd., 1700 Lincoln Street, Suite 2300, Denver, Colorado 80203 and SMACO, "A Texas General Partnership", 7500 San Felipe, Suite 1010, Houston, Texas 77063 (Hereinafter collectively referred to as Assignee), an overriding royalty, free and clear of all cost and expense of development and operation, in the amount of three percent (3%) of 8/8ths of all oil, gas, casing head gas and other hydrocarbon substances provided, saved and marketed from the land described on the attached Exhibit "A".

Said three percent (3%) of 8/8ths overriding royalty is assigned as follows:

| | |
|---|---|
| American Hunter Exploration Ltd. | 2% of 8/8ths |
| SMACO | 1% of 8/8ths |

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignee its successors and assigns, forever, subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of the oil and gas leases described on Exhibit "A".

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casing head gas and other hydrocarbon substances used for operating, development or production purposes upon the above described lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefiting said lands.

3. This assignment of overriding royalty is made without warranty of title, either express or implied.

4. In the event that El Paso Natural Gas Company, its successors or assigns, elects to convert its overriding royalty to a working interest position upon payout of the New Fork Unit #1 Well, the overriding royalty herein assigned shall be proportionately reduced to:

| | |
|---|---|
| American Hunter Exploration Ltd. | 1.4% of 8/8ths |
| SMACO | 0.7% of 8/8ths |

5. This Assignment of Overriding Royalty Interest is made subject to that certain Sale and Purchase Agreement dated November 1, 1982 between American Hunter Exploration Ltd. and Northwest Production Corporation, predecessor to Meridian Oil Production Inc. Pursuant to said agreement, the overriding royalty herein conveyed shall be proportionately reduced in the event that the covered by any tract described in Exhibit "A" is less than the entire mineral interest, or in the event that the working interest assigned by American Hunter Exploration Ltd. to Northwest Production Corporation, in any lease described on Exhibit "A" was less than the entire working interest granted by that lease.

[redacted] [redacted] [redacted]

6. Notwithstanding the date of execution hereof, this Assignment of Overriding Royalty Interest shall be deemed effective as of November 1, 1982.

7. By its execution and acceptance of this Assignment of Overriding Royalty Interest, SMACO, on its own behalf of all of its general partners, hereby acknowledges and agrees with American Hunter Exploration Ltd. ("Hunter") that the interests assigned to SMACO hereby represent all of the oil and gas interests that SMACO hereby entitled to receive in and to the land and the leases described on the attached Exhibit "A" pursuant to the provisions of (a) the Master Overriding Royalty Agreement dated July 27, 1979 between Hunter and Sneider and Meckel Associates, Inc., (b) the Overriding Royalty Agreement for Pinedale dated November 20, 1980 between Hunter and SMACO, (c) the oral agreement of October 1, 1982 between Hunter and Sneider and Meckel Associates, Inc. as confirmed by the letter agreement dated March 14, 1983 between those same parties, (d) the Sale and Purchase Agreement referred to in paragraph 5 above, and (e) all other agreements affecting or relating to the land and leases described on Exhibit "A". SMACO acknowledges and agrees that the execution of this instrument satisfies in full all of Hunter's obligations to SMACO* under any such agreements, and SMACO further agrees that it shall not be entitled to any interests in said land and leases pursuant to any such agreements in addition to those interests assigned by this instrument.

8. SMACO and Hunter each certifies that it is qualified to hold interests in federal oil and gas leases under the requirements of 43 CFR Subpart 3102 and that the overriding royalty interests assigned hereby are subject to the suspension provisions of 43 CFR Section 3103.3-3.

IN WITNESS WHEREOF, Assignor has executed and delivered this Assignment of Overriding Royalty Interest this 21st day September, 1987.

* As to the Pinedale Prospect Only

MERIDIAN OIL PRODUCTION INC.

Ivan E. Kercher
Attorney-in-Fact

218986

AMERICAN HUNTER EXPLORATION LTD.

James E. Chaput,
Senior Vice President - Land

RECORDED Dec. 2 19 87 9:30 AM
IN BOOK 80 O&G PAGE 523
FEES $14.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

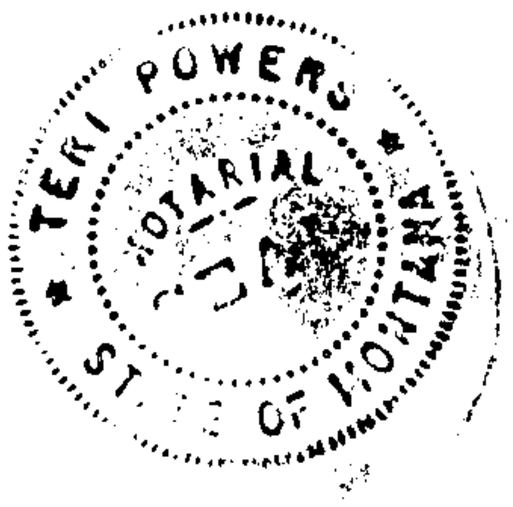
SMACO, "A Texas General Partnership"

James B. Wesley

STATE OF Montana )
:ss.
COUNTY OF Yellowstone )

On this 21st day of September, in the year 1987, before me, Teri Powers, a Notary Public, in and for said County and State, residing therein duly commissioned and sworn, personally appeared Ivan E. Kercher, known to me to be the Attorney-in-Fact of Meridian Oil Production Inc., the Corporation that executed the within instrument, and acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this certificate first above written.




Teri Powers
Notary Public in and for said County and State,
Residing at Billings, Montana
My Commission Expires June 1, 1988

PROVINCE OF ALBERTA )
)
CANADA )

ACKNOWLEDGEMENT

BEFORE ME, the undersigned authority, on this day personally appeared JAMES E. CHAPUT, known to me to be the person whose name is subscribed to the foregoing instrument, as SENIOR VICE PRESIDENT - LAND of AMERICAN HUNTER EXPLORATION LTD., a Delaware corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 25 day of September, 19 87.

Notary Public in and for the Province of Alberta, Canada.

MYRNA L. BIRNIE
Notary Public in and for the Province of Alberta
My Appointment Expires December 31, 1988

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 14th day of October, 1987, by James B. Wesley.

Robin Hurley
Notary Public
State of Texas

Printed Name of Notary

Robin Hurley

My Commission Expires:

12-15-88

This is Exhibit "A" attached to and forming part of that certain Assignment of Overriding Royalty Interest having an effective date of November 1, 1982, between MERIDIAN OIL PRODUCTION INC., AMERICAN HUNTER EXPLORATION LTD. and SMACO.

State of Wyoming, County of Sublette



| LEASE SERIAL NUMBER | LEASE DATE | LANDS |
|---|---|---|
| W-016158 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 25: E/2, NE/4 NW/4, S/2 NW/4, N/2 SW/4 |
| W-016161 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 24: SW/4 SE/4 |
| W-016155 | July 1, 1952 | T30N-R107W, 6th P.M.<br>Sec. 30: Lots 2, 3 |

527

00766-C

Form 3110-2
(January 1978)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OFFER TO LEASE AND
LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)
Act of February 25, 1920 (41 Stat. 437), as amended (30 U.S.C. 181–263)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
83 SEP 14 AM 9 30
RECEIVED
CHEYENNE, WYOMING

Name Dr. W. Norvil Puckett
Street 2784 S Milwaukee Street
City Denver, Colorado 80210
State
Zip Code

W-85921
(Serial Number)

This oil and gas lease is issued for a period of ten (10) years to the above-named lessee pursuant and subject to the provisions of the Mineral Leasing Act and subject to all rules and 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.

Lands included in the lease: State: Wyoming County: Sublette

T. 34 N., R. 115 W., 6th Prin Mer
Sec 2: Lots 1, 2, 3, 4, S½N½
3: Lots 1, 2, 3, 4, S½N½, N½SW¼

218966

RECORDED Nov. 30 19 87 2:00 P.M.
IN BOOK 80 O & G PAGE 527
FEES $ 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mare Riley

JUL -7 1987
BUREAU OF LAND MANAGEMENT

Rental (a) (ii) Beginning 6th Year, $3 per acre or Fraction Thereof

| | | | |
|---|---|---|---|
| Containing a total of | 739.24 acres | Annual Rental . . . . . | $740.00 |

This lease is issued to the successful drawee pursuant to the Simultaneous Oil and Gas Lease application filed under 43 CFR 3112, and is subject to the provisions of that application and those specified on the reverse side hereof.

FOR BLM USE ONLY:

THE UNITED STATES OF AMERICA

By _____
(Signature of Signing Officer) ANDREW L. TARSHIS
ACTING Chief, Oil & Gas Section
(Title)

FEB 29 1984
(Date)

Dr W Norvil Puckett
(Offeror/Lessee Signature)

(Title)

(Atty-in-fact or Agent's Signature)

Sept 10, 1983
(Date Signed)

Effective date of lease: MAR 01 1984

Lands in offer were not [redacted] within a Known Geologic Structure on February 22, 1984.

[redacted] [redacted] Mary D. Bau[redacted]

[redacted] The lessee is granted the [illegible] to drill for, mine, extract, remove, and [illegible] all oil and gas deposits except helium gas, in the lands leased, together with the right to construct and maintain thereon all works, buildings, plants, waterways, roads, [illegible] and telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof for a period of 10 years and so long thereafter as oil or gas is produced in paying quantities, subject to any [illegible] agreement heretofore or hereafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto where inconsistent with the terms of this lease.

Sec. 2. The lessee agrees:

(a) *Bond.*—(1) To furnish any bond required by this lease and the current regulations and until such bond is filed not to enter on the land under this lease. (2) To maintain any bond furnished by the lessee as a condition for the issuance of this lease. (3) To furnish a bond in a sum double the amount of $2 per acre annual rental but not less than $1,000 nor more than $10,000, upon the inclusion of any part of the leased land within the known geologic structure of a producing oil or gas field. (4) 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. (5) Until a general lease bond is filed to furnish and maintain a bond in the penal sum of not less than $1,000 in those cases in which a bond is required by law for the protection of the owners of surface rights. In lieu of any of the bonds described herein, the lessee may file such other bond as the regulations may permit.

(b) *Cooperative or unit plan.*—Within 30 days of demand, if the lessee's land is committed to an approved unit or cooperative plan and such plan is terminated prior to the expiration of this lease, within 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) *Diligent drilling.*—To drill and produce all wells necessary to protect the leased land from drainage by wells on lands not the property of the lessee, 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, and (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.

(d) *Rentals and royalties.*—(1) To pay rentals and royalties in amounts or value of production removed or sold from the the leased lands as follows:

*Rentals.*—To pay the lessor in advance an annual rental at the following rates:

(a) If the lands are wholly outside the known geologic structure of a producing oil or gas field:

(i) For each lease year a rental of $1.00 per acre or fraction of an acre.

(b) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field:

(i) Beginning with the first lease year after 30 days' notice that all or part of the land is included in such a structure and for each year thereafter prior to a discovery of oil or gas on the lands leased, $2 per acre or fraction of an acre.

(ii) If this lease is committed to an approved cooperative or unit plan which includes a well capable of producing oil or gas and contains a general provision for allocation of production, the rental prescribed for the respective lease years in subparagraph (a) of this section, shall apply to the acreage not within a participating area.

Rental (a) (1) Beginning on 1st year, $1.00 per acre or fraction thereof.

*Minimum royalty.*—Commencing with the lease year beginning on or after a discovery on the leased land, to pay the lessor in lieu of rental, a minimum royalty of $1 per acre or fraction thereof at the expiration of each lease year, or the difference between the actual royalty paid during the year if less than $1 per acre, and the prescribed minimum royalty of $1 per acre, provided that if this lease is unitized, the minimum royalty shall be payable only on the participating acreage and rental shall be payable on the nonparticipating acreage as provided in subparagraph (b)(ii) above.

*Royalty on production.*—(1) To pay the lessor 12½ percent royalty on the production removed or sold from the leased lands computed in accordance with the Oil and Gas Operating Regulations (30 CFR Pt. 221).

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gasoline, and other products obtained from gas, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters and, whenever appropriate, after notice and opportunity to be heard.

(3) When paid in value, such royalties on production shall be due and payable monthly on the last day of the calendar month next following the calendar month in which produced. Where paid in amount of production, such royalty products shall be delivered in merchantable condition on the premises where produced without cost to lessor, unless otherwise agreed to by the parties hereto, at such times and in such tanks provided by the lessee as [illegible] following the calendar month in which produced nor be responsible or held liable for the loss or destruction of royalty oil or other products in storage from causes over which he has no control.

(4) Rentals or minimum royalties may be waived, suspended or reduced and royalties on the entire leasehold or any portion thereof segregated for royalty purposes may be reduced if the Secretary of the Interior finds that, for the purpose of encouraging the greatest ultimate recovery of oil or gas and in the interest of conservation of natural resources, it is necessary, in his judgment, to do so in order to promote development, or because the lease cannot be successfully operated under the terms [illegible] of the Interior to make rental, royalty, or other payments to the lessor to the order of the Bureau of Land Management at the place [illegible] in the regulation (43 CFR 3103.[illegible]). If there is no well on the leased lands capable of producing oil or gas in paying quantities, the failure to pay rental on or before the anniversary date shall automatically terminate the lease by operation of law. However, if the time for payment falls on a day in which the proper office to receive payment is closed, payment shall be deemed timely if made on the next official working day.

(f) *Contracts for disposal of products.*—To file with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract or evidence of other arrangement for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land, *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the Oil and Gas Operating Regulations.

(g) *Statements, plats, and reports.*—At such times and in such form as the lessor may prescribe, to furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost, a plat showing development work and improvements on the leased lands, and a report with respect to shutdowns, investments, depreciation, and costs.

(h) *Records.*—To keep a daily drilling record, a log, and [illegible] and tests in form acceptable [illegible] and to furnish to the lessor duplicate copies of any of the foregoing and of all [illegible] leased lands and an exhibit of the subsurface investigations affecting said lands, and to furnish them or copies thereof to the lessor when required. All information obtained under this paragraph, upon the request of lessee, shall not be open to inspection by the public until the expiration of the lease.

(i) *Inspection.*—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(j) *Diligence, prevention of waste, health and safety of workmen.*—To exercise reasonable diligence in drilling and producing the wells herein provided for unless consent to suspend operations temporarily is granted by the lessor; to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to coal measures or other mineral deposits, for conservation of gas energy, for the preservation and conservation of the property for future productive operations, and for the health and safety of workmen and employees, to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any prior lease or permit upon which the right to this lease was based before abandoning the same, to carry out at expense of the lessee all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purpose of such orders at the lessee's cost: *Provided*, That the lessee shall not be held responsible for delays or casualties occasioned by causes beyond lessee's control.

(k) *Taxes and wages, freedom of purchase.*—To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, oil, and gas produced from the lands hereunder, or other rights, property, or assets of the lessee; to accord all workmen and employees complete freedom of purchase; and to pay all wages due workmen and employees at least twice each month in the lawful money of the United States.

(l) *Equal Opportunity clause.*—During the performance of this contract the lessee agrees as follows:

(1) *Equal opportunity clause.*—During the performance of this lease, the lessee agrees as follows:

(1) The lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this Equal Opportunity clause.

(2) The lessee will, in all solicitations or advertisements for employees placed by or on behalf of the lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The lessee will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the lessee's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The lessee will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the lessee's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The lessee will include the provisions of paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The lessee will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however*, That in the event the lessee becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting [illegible] United States to enter [illegible]

(m) *Assignments of oil and gas lease or interest therein.*—As required by applicable law, to file for approval by the lessor any instrument of transfer made of this lease or any interest therein, including assignments of record title, operating agreements and subleases, working or royalty interests, within 90 days from the date of final execution thereof.

(n) *Pipelines to purchase or convey at reasonable rates and without discrimination.*—If owner, or operator, or owner of a controlling interest in any pipeline or of any company operating the same which may be operated accessible to the oil or gas derive[illegible] from lands under this lease, to accept and convey and if a purchaser [illegible] to purchase at reasonable rates and without discrimination the oil or gas of the Government or of any citizen or company not the owner of any pipeline, operating a lease or purchasing or selling oil, gas, natural gasoline, or other products under the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913; 30 U.S.C. sec. 351).

(o) *Lands patented with oil and gas deposits reserved to the United States.*—To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the laws reserving to the United States the deposits of oil and gas therein, subject to such conditions as are or may hereafter be provided by the laws reserving such oil or gas.

(p) *Reserved or segregated lands.*—If any of the land included in this lease is embraced in a reservation or segregated for any particular purpose, to conduct operations thereunder in conformity with such requirements as may be made by the Director, Bureau of Land Management, for the protection and use of the land for the purpose for which it was reserved or segregated, so far as may be consistent with the use of the land for the purpose of this lease which latter shall be regarded as the dominant use unless otherwise provided herein or separately stipulated.

(q) *Protection of surface, natural resources, and improvements.*—The lessee agrees to take such reasonable steps as may be needed to prevent operations on the leased lands from unnecessarily (1) causing or contributing to soil erosion or damaging crops, including forage, and timber growth thereon or on Federal or non-Federal lands in the vicinity; (2) polluting air and water; (3) damaging improvements owned by the United States or other parties or (4) destroying, damaging, or removing fossils [illegible] or prehistoric ruins or artifacts and [illegible] any partial or total relinquishment or the cessation or expiration of this lease, or at any other time prior thereto when required and to the extent deemed necessary by the lessor to fill any pits, drill and other excavations, remove or cover all debris, and so far as reasonably possible, restore the surface of the leased land and access roads to their former condition, including the removal of structures as and if required. The lessor may prescribe the steps to be taken and restoration to be made with respect to the leased lands and improvements thereon whether or not owned by the United States. *Antiquities and objects of historic interest.* When American antiquities or other objects of historic or scientific interest including but not limited to historic or prehistoric ruins, fossils or artifacts are discovered in the performances of this lease, the item(s) or condition(s) will be left intact and immediately brought to the attention of the contracting officer or his authorized representative.

(r) *Overriding royalties.*—Not to create overriding royalties in excess of five percent except as otherwise authorized by the regulations.

(s) *Deliver premises in case of forfeiture.*—To deliver up to the lessor in good order and condition the land leased including all improvements which are necessary for the preservation of producing wells.

Sec. 3. The lessor reserves:

(a) *Easements and rights-of-way.*—The right to permit for joint or several use easements or rights of way, including easements in tunnels upon, through, or in the lands leased, occupied or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in the act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees or permittees and for other public purposes.

(b) *Disposition of surface.*—The right to lease, sell, or otherwise dispose of the surface of the leased [illegible] under the law or laws hereafter enacted, insofar as the surface is not necessary for the use of the lessee in the extraction and removal of the oil and gas therein, or to dispose of any resource in such lands which will not unreasonably interfere with operations under this lease.

(c) *Monopoly and fair prices.*—Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interests of the United States, to prevent monopoly, and to safeguard the public welfare.

(d) *Helium.*—Pursuant to Section 1 of the act as amended, the ownership of helium and the right to extract or have it extracted from all gas produced under this lease, subject to such rules and regulations as shall be prescribed by the Secretary of the Interior. If the lessor elects to take the helium, the lessee shall deliver all or any portion of gas containing the same to the lessor, in the manner required by the lessor, at any point on the leased premises, or, if the area is served at the time of production by a gas-gathering system owned or operated by the lessee at any point in that system specified by the lessor, for extraction of the helium by such means as the lessor may provide. The residue shall be returned to the lessee, with no substantial delay in the delivery of the gas produced from the well to the owner or purchaser thereof. Save for the value of the helium extracted, the lessee shall not suffer a diminution of the value of the gas produced from the well, or loss otherwise, including any expense caused solely by the requirement of the delivery of the gas to permit the extraction of helium, for which he is not reasonably compensated. The lessor reserves the right to erect, maintain and operate any and all reduction works necessary for extraction of helium on the leased premises. The lessee further agrees to include in any contract of sale of gas from the lands subject to this lease provisions setting forth that the lessor owns, and reserves the right to extract or have extracted, any helium in the gas sold, and that the lessor may take the gas from a pipeline carrier or any other gas-gathering system and extract the helium and return the gas to the owner thereof, without delay other than that caused by the extraction process; save for the value of the helium the owner shall not suffer any diminution of the value of the gas from which helium has been extracted or any other loss arising from the extraction of helium, including any expense caused solely by the requirement of the delivery of the gas to permit the extraction of helium, for which he is not reasonably compensated. It is further agreed that any rights reserved vested in the lessor under this paragraph shall also run to any agent or assignee of the lessor or any purchaser of the rights of the lessor.

(e) *Taking of royalties.*—All rights pursuant to section 36 of the act to take royalties in amount or in value of production.

(f) *Casing.*—All rights pursuant to section 40 of the act to purchase casing, and lease or operate valuable water wells.

Sec. 4. *Drilling and producing restrictions.*—It is agreed that the rate of prospecting and developing and the quantity and rate of production from the lands covered by this lease shall be subject to control in the public interest by the Secretary of the Interior, and in the exercise of his judgment the Secretary may take into consideration, among other things, Federal laws, State laws, and regulations issued thereunder, or lawful agreements among operators regulating either drilling or production, or both. After unitization, the Secretary of the Interior, or any person, committee, or State or Federal officer or agency so authorized in the unit plan, may alter or modify from time to time, the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease.

Sec. 5. *Surrender and termination of lease.*—The lessee may surrender this lease or any legal subdivision thereof by filing in the proper land office a written relinquishment, in triplicate, which shall be effective as of the date of filing subject to the continued obligation of the lessee and his surety to make payment of all accrued rentals and royalties and to place all wells on the land to be relinquished in condition for suspension or abandonment in accordance with the applicable lease terms and regulations.

Sec. 6. *Purchase of materials, etc., on termination of lease.*—Upon the expiration of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools, and materials other than improvements needed for producing wells. Any materials, tools, appliances, machinery, structures and [illegible] property subject to removal at the termination of this lease which are allowed to remain on the leased lands or become the property of the lessor on expiration of this lease or such extension thereof as may be granted because of adverse climatic conditions throughout said period: *Provided*, That the lessee shall remove any or all of such property where so directed by the lessor.

Sec. 7. *Proceedings in case of default.*—If the lessee shall not comply with any of the provisions of the act or the regulations thereunder or of the lease, or shall make default in the performance or observance of any of the terms hereof (except that of payment of annual rental which results in the automatic termination of the lease), and such default shall continue for a period of 30 days after service of written notice thereof by the lessor, this lease may be canceled by the [illegible] in accordance with section 31 of the act, except that as to lands it covers lands known to contain valuable deposits of oil or gas the lease may be canceled only by judicial proceedings in the manner provided in section 31 of the act, but this provision shall not be construed to prevent the exercise by the lessor of any legal or equitable remedy which the lessor might otherwise have. Upon cancellation of this lease, any casing, material or equipment determined by the lessor to be necessary for use in plugging or preserving any well drilled on the leased land shall become the property of the lessor. A waiver of any particular cause of cancellation and forfeiture shall not prevent the cancellation and forfeiture of this lease for any other cause or cancellation and forfeiture, or for the same cause occurring at any other time.

Sec. 8. *Heirs and successors-in-interest.*—It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 9. *Unlawful interest.*—It is also further agreed that no Member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Sec. 3741 of the Revised Statutes of the United States, as amended (41 U.S.C. Sec. 22), and Secs. 431, 432, and 433, Title 18, U.S. Code, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

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Pinedale A-5902(G)

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Meridian Oil Production Inc., P.O. Box 1855, Billings, Montana 59103 (Hereinafter referred to as Assignor) for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto American Hunter Exploration Ltd., 1700 Lincoln Street, Suite 2300, Denver, Colorado 80203 and SMACO, "A Texas General Partnership", 7500 San Felipe, Suite 1010, Houston, Texas 77063 (Hereinafter collectively referred to as Assignee), an overriding royalty, free and clear of all cost and expense of development and operation, in the amount of five percent (5%) of 8/8ths of all oil, gas, casing head gas and other hydrocarbon substances provided, saved and marketed from the land described on the attached Exhibit "A".

Said five percent (5%) of 8/8ths overriding royalty is assigned as follows:

| | |
|---|---|
| American Hunter Exploration Ltd. | 4% of 8/8ths |
| SMACO | 1% of 8/8ths |

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignee its successors and assigns, forever, subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed, pursuant to the terms and provisions of the oil and gas leases described on Exhibit "A".

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casing head gas and other hydrocarbon substances used for operating, development or production purposes upon the above described lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefiting said lands.

3. This assignment of overriding royalty is made without warranty of title, either express or implied.

4. This Assignment of Overriding Royalty Interest is made subject to that certain Sale and Purchase Agreement dated November 1, 1982 between American Hunter Exploration Ltd. and Northwest Production Corporation, predecessor to Meridian Oil Production Inc. Pursuant to said agreement, the overriding royalty herein conveyed shall be proportionately reduced in the event that the interest covered by any tract described in Exhibit "A" is less than the entire mineral interest, or in the event that the working interest assigned by American Hunter Exploration Ltd. to Northwest Production Corporation, in any lease described on Exhibit "A" was less than the entire working interest granted by that lease.

5. Notwithstanding the date of execution hereof, this Assignment of Overriding Royalty Interest shall be deemed effective as of November 1, 1982.

218987

RECORDED Dec. 2 19 87 9:30 A.M.
IN BOOK 80 O&G PAGE 529
FEES $ 30.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

[redacted] By: Mary L. [redacted]

6. By its execution and acceptance of this Assignment of Overriding Royalty Interest, SMACO, on its own behalf of all of its general partners, hereby acknowledges and agrees with American Hunter Exploration Ltd. ("Hunter") that the interests assigned to SMACO hereby represent all of the oil and gas interests that SMACO is entitled to receive in and to the land and the leases described on the attached Exhibit "A" pursuant to the provisions of (a) the Master Overriding Royalty Agreement dated July 27, 1979 between Hunter and Sneider and Meckel Associates, Inc., (b) the Overriding Royalty Agreement for Pinedale dated November 20, 1980 between Hunter and SMACO, (c) the oral agreement of October 1, 1982 between Hunter and Sneider and Meckel Associates, Inc. as confirmed by the letter agreement dated March 14, 1983 between those same parties, (d) the Sale and Purchase Agreement referred to in paragraph 4 above, and (e) all other agreements affecting or relating to the land and leases described on Exhibit "A". SMACO acknowledges and agrees that the execution of this instrument satifies in full all of Hunter's obligations to SMACO* under any such agreements, and SMACO further agrees that it shall not be entitled to any interests in said land and leases pursuant to any such agreements in addition to those interests assigned by this instrument.

7. SMACO and Hunter each certifies that it is qualified to hold interests in federal oil and gas leases under the requirements of 43 CFR Subpart 3102 and that the overriding royalty interests assigned hereby are subject to the suspension provisions of 43 CFR Section 3103.3-3.

IN WITNESS WHEREOF, Assignor has executed and delivered this Assignment of Overriding Royalty Interest this 21st day September, 1987.

* As to the Pinedale Prospect Only

MERIDIAN OIL PRODUCTION INC.

Ivan E. Kercher

Ivan E. Kercher
Attorney-in-Fact

AMERICAN HUNTER EXPLORATION LTD.

James E. Chaput

James E. Chaput,
Senior Vice President - Land

SMACO, "A Texas General Partnership"

James B. Wisely

STATE OF Montana )
:ss.
COUNTY OF Yellowstone )

On this 21st day of September, in the year 1987, before me, Teri Powers, a Notary Public, in and for said County and State, residing therein duly commissioned and sworn, personally appeared Ivan E. Kercher, known to me to be the Attorney-in-Fact of Meridian Oil Production Inc., the Corporation that executed the within instrument, and acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this certificate first above written.




Teri Powers
Notary Public in and for said County and State,
Residing at Billings, Montana
My Commission Expires June 1, 1988

PROVINCE OF ALBERTA )
)
CANADA )

ACKNOWLEDGEMENT

BEFORE ME, the undersigned authority, on this day personally appeared JAMES E. CHAPUT, known to me to be the person whose name is subscribed to the foregoing instrument, as SENIOR VICE PRESIDENT - LAND of AMERICAN HUNTER EXPLORATION LTD., a Delaware corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 25 day of September 19 87.

Notary Public in and for the Province of Alberta, Canada.

MYRNA L. BIRNIE
Notary Public in and for
the Province of Alberta

My Appointment Expires
December 31, 1988

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 14th day of October, 1987, by James B. Wesley.

Robin Hurley
Notary Public
State of Texas

My Commission Expires:

12-15-88

Printed Name of Notary:

Robin Hurley

This is Exhibit "A" attached to and forming part of that certain Assignment of Overriding Royalty Interest having an effective date of November 1, 1982, between MERIDIAN OIL PRODUCTION INC., AMERICAN HUNTER EXPLORATION LTD. and SMACO.

State of Wyoming, County of Sublette



| LEASE SERIAL NUMBER | LEASE DATE | LANDS |
|---|---|---|
| E-026025 | April 1, 1950 | T31N-R109W, 6th P.M.<br>Sec. 15: Lots 7, 8, E/2 SW/4, SE/4<br>Sec. 22: NW/4, E/2<br>Sec. 23: W/2<br>Sec. 26: All<br>Sec. 27: E/2 NE/4<br>Sec. 35: N/2 NE/4 |
| E-026026 | April 1, 1950 | T31N-R109W, 6th P.M.<br>All the bed of New Fork River between mean high water and medial lines thereof in front of and appurtenant to Lot 1, Sec. 11, Lots 5, 6, 7, 8, 9, 10 of Sec. 12, and Lots 7, 8 of Sec. 15 |
| W-06269 | June 1, 1951 | T31N-R109W, 6th P.M.<br>Sec. 35: W/2, S/2 NE/4 |
| W-06270 | June 1, 1951 | T31N-R109W, 6th P.M.<br>Sec. 9: S/2 SE/4<br>Sec. 10: W/2 |
| W-06271 | June 1, 1951 | T31N-R109W, 6th P.M.<br>Sec. 4: Lots 1, 2, S/2 NE/4, SE/4<br>Sec. 9: NE/4, N/2 SE/4<br>Sec. 21: Lots 2, 3, 6, W/2 NW/4, E/2 SE/4, SW/4 SE/4<br>Sec. 22: SW/4<br>Sec. 27: W/2 NE/4, NW/4, S/2<br>Sec. 34: N/2, SE/4, E/2 SW/4 |
| W-06282 | June 1, 1951 | T30N-R109W, 6th P.M.<br>Sec. 11: NE/4, N/2 NW/4<br>Sec. 12: N/2 |
| W-06283 | June 1, 1951 | T30N-R108W, 6th P.M.<br>Sec. 6: Lots 3, 4, 5, 6, 7, E/2 SW/4, SE/4 NW/4<br>Sec. 7: Lots 1, 2, E/2 NW/4 |
| W-06285 | June 1, 1951 | T30N-R109W, 6th P.M.<br>Sec. 1: Lots 1, 2, 3, 4, S/2 N/2, S/2<br>Sec. 2: Lots 1, 2, 3, 4, S/2 N/2, S/2<br>T31N-R109W, 6th P.M.<br>Sec. 28: NE/4, N/2 SE/4 SE/4 SE/4<br>Sec. 35: SE/4 |

State of Wyoming, County of Sublette



| LEASE SERIAL NUMBER | LEASE DATE | LANDS |
|---|---|---|
| W-06286 | June 1, 1951 | T32N-R109W, 6th P.M.<br>Sec. 28: NE/4 |
| W-06933 | June 1, 1951 | T30N-R108W, 6th P.M.<br>Sec. 7: NE/4 |
| W-06934 | June 1, 1951 | T30N-R109W, 6th P.M.<br>Sec. 11: SE/4<br>Sec. 12: S/2<br>T30N-R108W, 6th P.M.<br>Sec. 6: SE/4<br>Sec. 7: Lots 3, 4, E/2 SW/4, SE/4 |
| W-015314 | June 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 8: S/2<br>Sec. 17: N/2<br>Sec. 22: NE/4<br>Sec. 23: NW/4 |
| W-73883 | October 20, 1980 | T32N-R109W, 6th P.M.<br>Sec. 29: W/2 |
| W-015318 | June 1, 1952 | T31N-R109W, 6th P.M.<br>Sec. 4: Lots 3, 4, S/2 NW/4, SW/4<br>Sec. 5: Lot 1, S/2 NE/4, SE/4<br>Sec. 9: W/2<br>T32N-R109W, 6th P.M.<br>Sec. 28: W/2<br>Sec. 29: E/2<br>Sec. 32: All<br>Sec. 33: W/2 |
| W-105525 | January 1, 1953 | T31N-R109W, 6th P.M.<br>Sec. 8: NE/4 NW/4, S/2 NW/4 |
| W-016158 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 25: S/2 SW/4, NW/4 NW/4<br>Sec. 26: All<br>Sec. 34: NE/4, N/2 SE/4, N/2 NW/4<br>Sec. 35: N/2, N/2 S/2, S/2 SE/4 |
| W-016160 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 17: SW/4, N/2 SE/4, SW/4 SE/4<br>Sec. 18: Lots 1, 2, 3, 4, SE/4 NE/4, W/2 E/2, E/2 W/2, E/2 SE/4<br>Sec. 20: All<br>Sec. 21: W/2 W/2 |

| LEASE SERIAL NUMBER | LEASE DATE | LANDS |
|---|---|---|
| W-016161 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 24: N/2, SW/4, E/2 SE/4, NW/4 SE/4 |
| W-016162 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 27: E/2, E/2 W/2 |
| W-016163 | July 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 21: E/2 W/2, E/2<br>Sec. 22: SE/4, W/2 SW/4, SE/4 SW/4<br>Sec. 23: S/2, E/2 NE/4, NW/4 NE/4<br>Sec. 27: W/2 W/2<br>Sec. 28: All<br>Sec. 33: N/2 NE/4, NE/4 NW/4 |
| W-73884 | October 20, 1980 | T31N-R109W, 6th P.M.<br>Sec. 6: Lots 1, 2, 3<br>T32N-R109W, 6th P.M.<br>Sec. 30: All<br>Sec. 31: All |
| W-016166 | July 1, 1952 | T31N-R109W, 6th P.M.<br>Sec. 5: Lots 3, 4, S/2 NW/4, SW/4<br>Sec. 6: Lots 5, 6, 7, 8, 9, S/2 NE/4, SE/4<br>Sec. 8: E/2, SW/4<br>Sec. 17: E/2 NW/4, NE/4, NW/4 SE/4, E/2 SE/4 |
| W-018039 | October 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 17: SE/4 SE/4<br>Sec. 18: NE/4 NE/4<br>Sec. 22: NE/4 SW/4<br>Sec. 23: SW/4 NE/4 |
| W-018649 | November 1, 1952 | T30N-R108W, 6th P.M.<br>Sec. 22: N/2 NW/4, SE/4 NW/4 |
| W-024293 | December 1, 1953 | T30N-R108W, 6th P.M.<br>Sec. 33: NW/4 NW/4, S/2 NE/4<br>Sec. 34: S/2 NW/4, NE/4 SW/4 |
| W-73885 | December 1, 1952 | T32N-R110W, 6th P.M.<br>Sec. 25: N/2 NE/4, NE/4 NW/4, S/2 N/2, N/2 SW/4, SE/4, SE/4 SW/4 |

AFFIDAVIT

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

ANDREW C. MORRIS, being duly sworn, deposes and says that:

1. He is Division Landman for Enron Oil & Gas Company (successor in interest through merger to Belco Development Corporation);

2. He is familiar with the documents listed below which are located in Township 29 North, Range 112 West, Section 17: SE/4NW/4, E/2SW/4, SW/4SE/4. The Federal lease involved is W-48517.

(a) Assignment of Record Title to Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Belco Petroleum Corporation, as Assignee.

(b) Assignment of Record Title to Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Chandler & Associates, Inc., as Assignee.

(c) Assignment of Operating Rights in Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Belco Petroleum Corporation, as Assignee. Surface to 4,840'. Covering Section 17: SW/4SE/4 only.

(d) Assignment of Operating Rights in Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Belco Petroleum Corporation, as Assignee. Below 4,840'. Covering Section 17: SW/4SE/4 only.

215028

(e) Assignment of Record Title to Oil and Gas Lease dated June 1, 1983, between Belco Petroleum Corporation, as Assignor, and Belco Development Corporation, as Assignee.

(f) Assignment of Operating Rights in Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Chandler & Associates, Inc., as Assignee. Surface to 4,840'. Covering Section 17: SW/4SE/4 only.

(g) Assignment of Operating Rights in Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Chandler & Associates, Inc., as Assignee. Below 4,840'. Covering Section 17: SW/4SE/4 only.

RECORDED Dec. 4 1987 9:34 AM
IN BOOK 80 of G PAGE 537
FEES $ 11.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Maree Riley

(h) Assignment of Operating Rights in Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Adobe Oil & Gas Corporation, as Assignee. Surface to 4,840'. Covering Section 17: SW/4SE/4 only.

(i) Assignment of Operating Rights in Oil and Gas Lease dated June 1, 1983, between Terra Resources, Inc., as Assignor, and Adobe Oil & Gas Corporation, as Assignee.

(j) Assignment of Operating Rights in Oil and Gas Lease dated July 12, 1983, but effective June 1, 1983, between Oxoco Exploration & Production, Inc., as Assignor, and Belco Petroleum Corporation, as Assignee. Surface to 4,840'. Covering Section 17: SW/4SE/4 only.

(k) Assignment of Operating Rights in Oil and Gas Lease dated July 12, 1983, but effective June 1, 1983, between Oxoco Exploration & Production Inc., as Assignor, and Chandler & Associates, Inc., as Assignee. Surface to 4,840'. Covering Section 17: SW/4SE/4 only.

(l) Assignment of Operating Rights in Oil and Gas Lease dated July 12, 1983, but effective June 1, 1983, between Oxoco Exploration & Production Inc., as Assignor, and Adobe Oil & Gas Corporation, as Assignee. Surface to 4,840'. Covering Section 17: SW/4SE/4 only.

(m) Assignment of Record Title to Oil and Gas Lease dated July 14, 1983, but effective June 1, 1983, between Williams Exploration Company, as Assignor, and Adobe Oil & Gas Corporation, as Assignee.

(n) Assignment of Record Title to Oil and Gas Lease dated July 14, 1983, but effective June 1, 1983, between Williams Exploration Company, as Assignor, and Chandler & Associates, Inc., as Assignee.

(o) Assignment of Record Title to Oil and Gas Lease dated July 14, 1983, but effective June 1, 1983, between Williams Exploration Company, as Assignor, and Belco Petroleum Corporation, as Assignee.

(p) Assignment of Operating Rights in Oil and Gas Lease dated February 26, 1986, but effective August 1, 1985, between Chandler & Associates, Inc., as Assignor, and MGF Oil Corporation, as Assignee.

(q) Assignment of Operating Rights in Oil and Gas Lease dated March 15, 1986, but effective August 1, 1985, between MGF Oil Corporation, as Assignor, and Chandler & Associates, Inc., as Assignee.

(r) Assignment of Operating Rights in Oil and Gas Lease dated June 12, 1987, between Chandler & Associates, Inc., as Assignor, and J. J. Sullivan, as Assignee.

(s) Assignment of Operating Rights in Oil and Gas Lease dated June 12, 1987, between Chandler & Associates, Inc., as Assignor, and W. A. Sears, Jr., as Assignee.

(t) Assignment of Operating Rights in Oil and Gas Lease dated June 12, 1987, between Chandler & Associates, Inc., as Assignor, and R. J. Ackerman, as Assignee.

(u) Assignment of Operating Rights in Oil and Gas Lease dated December 17, 1986, but effective December 31, 1986, between Adobe Resources Corporation, as Assignor, and Trexco Resources, Inc., as Assignee.

3. For the purposes of invoking the legal protections of constructive notice under the Wyoming recording acts of said documents listed above, affiant has executed this Affidavit which he will cause to be recorded in the records of the Sublette County Recorder, State of Wyoming.

SUBSCRIBED AND SWORN to before me this 21st day of November, 1987.

ENRON OIL & GAS COMPANY
(Successor in Interest Through Merger
to Belco Development Corporation)

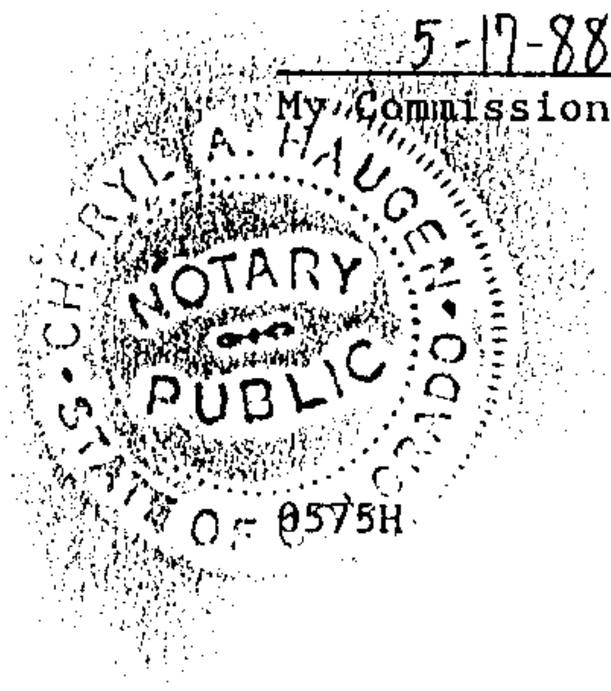
By: _____
Andrew C. Morris
Division Landman
"AFFIANT"

STATE OF COLORADO )
)ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 21st day of November, 1987 by Andrew C. Morris.

Witness my hand and official seal.

5-17-88
My Commission Expires




Cheryl A Haugen
Notary Public
Cheryl A. Haugen

Address: 1801 California Street
Suite 4800
Denver, Colorado 80202

Form 3106-[redacted]
(September [redacted])

UNITED STATES [redacted]
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

[redacted]

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-48517

Lease effective date
1-1-75

PART I

1. Assignee's Name

TREXCO RESOURCES, INC.

Address (include zip code)
330 Grant St., Suite 2900
Pittsburgh, PA 15219

The undersigned, as owner of 13.19486 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

T-29-N, R-112-W
Sec. 17: SE/4 NW/4, E/2 SW/4,
SW/4 SE/4

From the surface down to a depth of 4,840 feet

Containing 160 acres, more or less, in Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | |
| 4. Specify interest or percent of operating rights being retained by assignor | 13.19486% |
| 5. Specify overriding royalty interest being reserved by assignor | 0% |
| 6. Specify overriding royalty previously reserved or conveyed, if any | *See Attached |
| 7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106. | 5% |

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 7 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 17th day of December, 19 86, effective December 31, 1986.
ADOBE RESOURCES CORPORATION

H. R. Holcomb (Assignor's Signature) Vice President
ATTEST:

300 West Texas, Suite 1100
(Assignor's Address)

Tim Culp Ass't Secretary

Midland, Texas 79701
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective MAR 1 1987

By Fred O'Farrell
(Authorized Officer)

pproval does not warrant that either party
: this transfer holds legal or equitable
ile to this lease,

SUPERVISOR, MAINTENANCE UNIT MAY 11 1987
(Title) (Date)

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.

For Assignee 540

541

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1281U

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-48517

Lease effective date
1-1-75

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

TREXCO RESOURCES, INC.

Address (include zip code)
330 Grant St., Suite 2900
Pittsburgh, PA 15219

The undersigned, as owner of 13.19486 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

T-29-N, R-112-W

Sec. 17: SE/4 NW/4, E/2 SW/4,
SW/4 SE/4

From the surface down to a depth of 4,840 feet

Containing 160 acres, more or less, in Sublette County, Wyoming

STATE OF TEXAS I
I
COUNTY OF MIDLAND I

Before me, the undersigned authority, on this day personally appeared H.R. Holcomb, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of ADOBE RESOURCES CORPORATION, a Delaware corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 24th day of December, 1986.

TERI L. BROOKS
Notary Public
State of Texas
My commission expires: 4-29-89

Teri L. Brooks
Notary Public in and for
the State of Texas

I CERTIFY That the statements made hereon are true.

Executed this 17th day of December, 1986, effective December 31, 1986.
ADOBE RESOURCES CORPORATION

H. R. Holcomb (Assignor's Signature) Vice President

300 West Texas, Suite 1100
(Assignor's Address)

ATTEST:

Tim Culp Ass't Secretary

Midland, Texas 79701
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective MAR 1 1987

By Fred O'Farrell
(Authorized Officer)

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease,

SUPERVISOR, MAINTENANCE UNIT — MAY 11 1987
(Title) (Date)

NOTE: This [redacted] be reproduced provided that copies are [redacted] roductions on one sheet of both sides o[redacted]cial form in accordance [redacted] isions of 43 CFR 3106.

PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United Stat or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease descri herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operati on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maint such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigne knowledge and belief and are made in good faith.

Executed this 31st day of December, 19 86

TREXCO RESOURCES, INC.

John G. Caldwell (Assignee's Signature) Executive Vice President

330 Grant St., Suite 2900
(Assignee's Address)

ATTEST:

Henry E. Reich, Jr. Ass't Secretary

Pittsburgh, Pennsylvania 15219
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the Unite States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. $25.00 nonrefundable filing fee *must* accompany this assignmen File assignment within ninety (90) days *after* date of fin execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, approved, takes effect on the first day of the month followin the date of filing of *all* required papers. If an operator's bon is required, it *must* be furnished prior to approval of th assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

EXHIBIT "A"

Attached to and made a part of "Assignment Affecting Record Title to Oil and Gas Lease" from Adobe Resources Corporation to Trexco Resources, Inc.

In addition to all overriding royalties and production payments previously reserved or conveyed, if any, Adobe Resources Corporation excepts herefrom and reserves unto itself, its successors and assigns, an aggregate Five Million Dollar ($5,000,000) production payment payable as follows:

On Oil

Payable out of one-half (1/2) of the proceeds received (i.e. posted or contract price as adjusted for quality less any required costs of transportation, processing or other costs to market) by Assignee, its successors and assigns, in excess of Twenty Dollars ($20.00) per barrel. Example: If Assignee received for oil $22.00 per barrel, Assignor would receive $1.00 per barrel to be applied on its production payment.

On Gas

Payable out of one-half (1/2) of the proceeds received (i.e. posted or contract price as adjusted for quality less any required costs of transportation, processing or other costs to market) by Assignee, its successors and assigns, in excess of Two Dollars and 50/100 ($2.50) per MCF. Example: If Assignee received for gas $3.50 per MCF, Assignor would receive $0.50 per MCF to be applied on its production payment.

This production payment shall terminate and be of no further force and effect upon the earlier to occur of the following events: (i) the payment to Assignor of the sum of an aggregate Five Million Dollars ($5,000,000) from the properties to which said production payment applies as defined in that certain Asset Purchase and Sale Agreement dated as of 12/30/86 between the parties hereto or (ii) the lapse of 15 years from January 1, 1987.

This production payment shall be paid by Assignee annually with each payment being made within 90 days after the expiration of each calendar year. Each payment shall be accompanied with a comprehensive statement reflecting the manner in which the amount of such payment was calculated and determined. After receipt of the annual payment Assignor shall have the right to audit the accounts of Assignee with respect to the manner in which the amount of the payment was determined.

This production payment shall extend to, and be covered by, all extensions and renewals of the subject lease, shall bear its proportionate part of all gross production taxes or other applicable taxes, and shall be binding upon the parties hereto, their successors and assigns.

This Assignment is pursuant to and made subject to the terms and conditions of the aforementioned Agreement.

Provided, however, that all payments out of production created by this Assignment are subject to the suspension provision in 43 C.F.R. Section 3103-3.

D4/FED/EX/1-A/1-B/1-C

(December 1988)
(formerly 3106-1)

DEPARTMENT OF THE INTERIOR
BUREAU OF [redacted] MANAGEMENT

[redacted] APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

# TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Lease Serial No.
W-48517

**Type or print plainly in ink and sign in ink.**

## PART A: TRANSFER

1. Transferee (Sublessee)
   Street: J. J. Sullivan
   City, State: P. O. Box 1398
   Zip Code: Casper, Wyoming
   82602

   Additional Transferees

This transfer is for: *(Check one)* ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* ☒ Operating Rights (sublease) ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| All in Township 29 North, Range 112 West, Sublette County, Wyoming, Section 17: SE/4 NW/4, E/2 SW/4, SW/4 SE/4, containing 160 acres, more or less. | | | | | |
| Tract 1: Described on back of Transfer | 42.60837 | 1.22167 | 41.38670 | None | 5.00 |
| Tract 2: Described on back of Transfer | 45.44893 | 1.22167 | 44.22726 | None | 5.00 |
| Tract 3: Described on back of Transfer | 42.60837 | 1.22167 | 41.38670 | None | 5.00 |

THIS ASSIGNMENT IS IN LIEU OF, AND NOT IN ADDITION TO, PREVIOUS ASSIGNMENT DATED JUNE 3, 1986, APPROVED AUGUST 1, 1986. THIS ASSIGNMENT CORRECTS PERCENTAGES OWNED AND RETAINED ONLY.

**FOR BLM USE ONLY**

THE UNITED STATES OF AMERICA

**This Transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.**

Transfer Approved Effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

Tract 1: Only insofar as said lands cover from the surface to the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112W.

Tract 2: Only insofar as said lands cover the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112 West.

Tract 3: Only insofar as said lands cover below the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112 West.

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980 by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to, the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants, together with any amendments or modifications thereof, and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

## PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the transfer of NPR-A leases, transferee is a citizen, nation, or resident alien of the United States or associations of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Transferee is not considered a minor under the laws of the State in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.
3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

For oil and gas transfers, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal transfers, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 12th day of June, 19 87

CHANDLER & ASSOCIATES, INC.

Transferor Patti McDonald Chandler (Signature)

Patti McDonald Chandler, Vice President

1860 Lincoln, 1400 Lincoln Tower Building
(Transferor's Address)

ATTEST: Diana J. Ley (Signature)

Diana J. Ley, Assistant Secretary

Denver, Colorado 80203
(City) (State) (Zip Code)

Transferee ✓

J. J. Sullivan (Signature)

or

Executed this ✓ day of June, 19 87

Attorney-in-fact

[redacted] U.S.C. Sec. [redacted] is a crime for any person knowingly [redacted] to any Department or Agency of the United States [redacted] fictitious or fraudulent

(formerly 3106-[redacted])

DEPARTM[redacted] THE INTERIOR
BUREAU OF [redacted] MANAGEMENT

[redacted] APPROVED
[redacted] NO. 1004-0034
Expires: August 31, 1989

# TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Lease Serial No.
W-48517

**Type or print plainly in ink and sign in ink.**

## PART A: TRANSFER

1. Transferee (Sublessee)
   Street: P. O. Box 1369
   City, State: Casper, Wyoming
   Zip Code: 82602

Additional Transferees

This transfer is for: *(Check one)* ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* ☒ Operating Rights (sublease) ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| All in Township 29 North, Range 112 West, Sublette County, Wyoming, Section 17: SE/4 NW/4, E/2 SW/4, SW/4 SE/4, containing 160 acres, more or less. | | | | | |
| Tract 1: Described on back of Transfer | 42.60837 | 1.22167 | 41.38670 | None | 5.00 |
| Tract 2: Described on back of Transfer | 45.44893 | 1.22167 | 44.22726 | None | 5.00 |
| Tract 3: Described on back of Transfer | 42.60837 | 1.22167 | 41.38670 | None | 5.00 |

THIS ASSIGNMENT IS IN LIEU OF, AND NOT IN ADDITION TO, PREVIOUS ASSIGNMENT DATED JUNE 3, 1986, APPROVED AUGUST 1, 1986. THIS ASSIGNMENT CORRECTS PERCENTAGES OWNED AND RETAINED ONLY.

**FOR BLM USE ONLY**

THE UNITED STATES OF AMERICA

**This Transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.**

Transfer Approved Effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

Tract 1: Only insofar as said lands cover from the surface to the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112W.

Tract 2: Only insofar as said lands cover the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112 West.

Tract 3: Only insofar as said lands cover below the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112 West.

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980 by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to, the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants, together with any amendments or modifications thereof, and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

## PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the transfer of NPR-A leases, transferee is a citizen, nation, or resident alien of the United States or associations of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Transferee is not considered a minor under the laws of the State in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.
3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

For oil and gas transfers, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal transfers, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 12th day of June, 19 87

1860 Lincoln, 1400 Lincoln Tower Building
(Transferor's Address)

Denver, Colorado 80203
(City) (State) (Zip Code)

Executed this ✓ day of June, 19 87

Transferor CHANDLER & ASSOCIATES, INC.
Patti McDonald Chandler
(Signature)
Patti McDonald Chandler, Vice President

ATTEST: Diana J. Ley
(Signature)
Diana J. Ley, Assistant Secretary

Transferee ✓
(Signature)
W. A. Sears
or
Attorney-in-fact

[redacted] it a crime for any person knowingly [redacted] any Department or agency of the United States a[redacted]itions or fraudulent

(December 1980)
(formerly 3100-[redacted])

DEPARTM[redacted] THE INTERIOR
BUREAU OF [redacted] MANAGEMENT

[redacted] APPROVED
OMB NO. 1004-0034
Expires: August 31, 1986

# TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Lease Serial No.
W-48517

**Type or print plainly in ink and sign in ink.**

## PART A: TRANSFER

1. Transferee (Sublessee)
   Street
   City, State
   Zip Code

R. J. Ackerman
P. O. Box 1250
Casper, Wyoming
82602

Additional Transferees

This transfer is for: *(Check one)* XX Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* XX Operating Rights (sublease) ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

| Land Description | Percent of Interest | | | Percent of Overriding Royalty or Similar Interests | |
|---|---|---|---|---|---|
| Additional space on reverse, if needed. Do not submit documents other than this form; such documents should only be referenced herein. | Owned | Conveyed | Retained | Reserved | Previously reserved or conveyed |
| a | b | c | d | e | f |
| All in Township 29 North, Range 112 West, Sublette County, Wyoming, Section 17: SE/4 NW/4, E/2 SW/4, SW/4 SE/4, containing 160 acres, more or less. | | | | | |
| Tract 1: Described on back of Transfer | 42.60837 | 1.22167 | 41.38670 | None | 5.00 |
| Tract 2: Described on back of Transfer | 45.44893 | 1.22167 | 44.22726 | None | 5.00 |
| Tract 3: Described on back of Transfer | 42.60837 | 1.22167 | 41.38670 | None | 5.00 |

THIS ASSIGNMENT IS IN LIEU OF, AND NOT IN ADDITION TO, PREVIOUS ASSIGNMENT DATED JUNE 3, 1986, APPROVED AUGUST 1, 1986. THIS ASSIGNMENT CORRECTS PERCENTAGES OWNED AND RETAINED ONLY.

**FOR BLM USE ONLY**

THE UNITED STATES OF AMERICA

This Transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

Transfer Approved Effective _____

By _____ _____
(Authorized Officer) (Title) (Date)

Part A (Continued): ADDITIONAL SPACE for Land Description in Item No. 2, if needed.

Tract 1: Only insofar as said lands cover from the surface to the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112W.

Tract 2: Only insofar as said lands cover the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112 West.

Tract 3: Only insofar as said lands cover below the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE/4 NE/4 of Section 17, Township 29 North, Range 112 West.

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980 by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to, the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants, together with any amendments or modifications thereof, and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

## PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The transferor certifies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.

2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof. For the transfer of NPR-A leases, transferee is a citizen, nation, or resident alien of the United States or associations of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Transferee is not considered a minor under the laws of the State in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts.

3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

For oil and gas transfers, the obligation to pay overriding royalties, payment out of production, carried interests, net profit interests, or such similar payments or interests created herein, which, when added to overriding royalties or payments out of production or other similar interests or payments previously created, may be suspended by the Secretary at any time upon a determination that the excess constitutes a burden on lease operations in accordance with 43 CFR 3103.

For geothermal transfers, an overriding royalty may not be less than one-fourth (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 12th day of June, 1987

Transferor CHANDLER & ASSOCIATES, INC.

Patti McDonald Chandler (Signature)

Patti McDonald Chandler, Vice President

1860 Lincoln, 1400 Lincoln Tower Building
(Transferor's Address)

ATTEST:

Diana J. Ley (Signature)

Diana J. Ley, Assistant Secretary

Denver, Colorado 80203
(City) (State) (Zip Code)

Transferee

R. J. Ackerman (Signature)

or

Executed this ____ day of June, 1987

Attorney-in-fact

The 18 U.S.C. Section [redacted] makes it a crime for any person knowingly and willfully [redacted] to any Department or agency of the United States [redacted] fictitious or fraudulent

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W - 48517

Lease effective date
1-1-75

PART I

1. Assignee's Name
Chandler and Associates, Inc.

Address *(include zip code)*
1860 Lincoln Street, Suite 1400
Denver, CO 80203

The undersigned, as owner of 2.84056 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 29 North, Range 112 West, Sublette County, Wyoming
Section 17: SE¼NW¼, E½SW¼, SW¼SE¼ containing 160 acres more or less, but only insofar as said lands cover the M-42 Sand of the Almy formation which is the continuous stratigraphic interval underlying the Isenhour Unit Area and occurring between the depths of 3,590 and 3,635 feet as identified in the Isenhour Government #1 Well located in the SE¼NE¼ of Section 17, Township 29 North, Range 112 West.

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980 by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Verture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligation pertaining to the lease and leasehold interest herein assigned.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 2.84056% |
| 4. Specify interest or percent of operating rights being retained by assignor | None |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.00% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 15th day of March, 19 86, but effective August 1, 1985.
MGF Oil Corporation (Corporate Qualification on file in W-56800)

(Assignor's Signature)
William J. Hollander
Attorney in Fact
(POA on file in W-56943)

216 16th Street Mall, Suite 900
(Assignor's Address)

Denver, Colorado 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective JUL 1 1986

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

By Fred O'Farrell
(Authorized Officer)

550 for CHIEF, LEASING SECTION
(Title)

JUL 08 1986
(Date)

NOTE: This is an authorized copy and may be reproduced on one side of both sheets of the current issue only.

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 23rd day of April , 19 86 .

CHANDLER & ASSOCIATES, INC.

Patti McDonald Chandler
(Assignee's Signature)

Patti McDonald Chandler, Vice President

ATTEST:

Diana J. Ley
Diana J. Ley, Assistant Secretary

1860 Lincoln St., #1400
(Assignee's Address)

Denver, CO 80203
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

1986, by

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

Feb. 14, 1988.

Deborah J. Vogt
Notary Public
Address: 216 - 16th Street Mall, Suite 900
Denver, Colorado 80202

STATE OF COLORADO )
) SS.
COUNTY OF DENVER )

CORPORATE ACKNOWLEDGMENT

I, Patricia E. Allen, a Notary Public in and for said County and State, do hereby certify that Patti McDonald Chandler, to me personally known, and known to me to be the same person who executed the foregoing instrument as Vice President of Chandler & Associates, Inc., a corporation, appeared before me this day in person and, being first duly sworn, acknowledged that he is the Vice President of said corporation, that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed, sealed, and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed for the uses, purposes and considerations therein expressed.

Given under my hand and official seal this 24rh day of April , 19 86

My Commission Expires: 4-25-87

Notary Public in and for said County and State,
residing at 1860 Lincoln St., #1400
Denver, CO 80203

Form 3160-[redacted]
(September 1982)

UNITED STATES
DEPARTME[redacted] OF THE INTERIOR
BUREAU OF [redacted]ND MANAGEMENT

FORM [redacted]
OMB N[redacted]
Expires AUGUST [redacted], 1985

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

Lease Serial No.
W-48517

Lease effective date
1-1-75

PART I

1. Assignee's Name
MGF Oil Corporation

Address (including zip code)
216 16th Street Mall, Suite 900
Denver, CO 80202

The undersigned, as owner of 45.44893% percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.3-4)

Township 29 North, Range 112 West
Section 17: SENW, E½SW, SWSE

Sublette County, Wyoming

Subject to that certain Unit Agreement and Unit Operating Agreement dated November 1, 1980, by and between Belco Petroleum Corporation and Chandler & Associates, Inc. Also subject to all agreements, contracts, and legal obligations pertaining to or in any way involving the above described Oil and Gas Lease and the lands covered thereby including, but not limited to the Oil and Gas Lease, all prior assignment(s) thereof, Declaration(s) of Pooling, Pooling or Unitization Agreement(s), Operating Agreement(s), agreements between Chandler & Associates, Inc. and prior owners, Joint Venture Agreement(s), Overriding Royalty Obligation(s), and Division Order Covenants together with any amendments or modifications thereof and in general all prior burdens and legal obligations pertaining to the lease and leasehold interest herein assigned.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 2.84056% |
| 4. Specify interest or percent of operating rights being retained by assignor | 42.60837% |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.0% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 26th day of February, 1986, but effective August 1, 1985.

CHANDELR & ASSOCIATES, INC.

[signature] 1860 Lincoln Street, Suite 1400
(Assignor's Signature) (Assignor's Address)

Patti McDonald Chandler, Vice President

ATTEST: Denver, CO 80203
(City) (State) (Zip Code)

Diana J. Ley, Assistant Secretary

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective MAY 1 1986 By [signature]
(Authorized Officer)

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

for CHIEF, LEASING SECTION JUN 24 1986
(Title) (Date)

NOTE: This form may be reproduced provided legal copies are exact reproductions on one sheet of both sides of this official form in accordance with provisions of 43 CFR 3106.

552

COPY FOR ASSIGNEE

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 12th day of March, 1986.

MGF Oil Corporation (Corporate Qualifications on file in W-56800)

William J. Hollander
(Assignor's Signature)

William J. Hollander
Attorney-in-Fact
(POA on file in W-56943)

216 - 16th Street Mall, Suite 900
(Assignor's Address)

Denver, Colorado 80202
(City) (State) (Zip Code)

Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing document was acknowledged before me this 12th day of March 1986, by William J. Hollander, as Attorney-in-Fact for MGF Oil Corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires:

Feb. 14, 1988.

Deborah J. Vogt
Notary Public
Address: 216 - 16th Street Mall, Suite 900
Denver, Colorado 80202

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

Form 3106-5
(October 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

FOR BLM OFFICE USE ONLY

New Serial No.

RECEIVED
JUL 08 87
ENRON
DENVER

PART I

1. Assignee's Name
Belco Petroleum Corporation

Address (include zip code)
10000 Old Katy Road, Suite 100
Houston, Texas 77055

The undersigned, as owner of 50 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

| 2. Describe the lands affected by this assignment | Assignment approved as to lands described below |
|---|---|
| Township 29 North, Range 112 West, 6th P.M.:<br><br>Section 17: E/2 W/2, SW/4 NW/4, SW/4 SE/4<br><br>containing 240 acres, more or less,<br>in Sublette County, Wyoming | SAME LAND DESCRIPTION AS ITEM 2 |

* By other assignments of this same date and time, Assignor is assigning an undivided 6.59743 percent interest to Adobe Oil & Gas Corporation and an undivided 22.724465 percent interest to Chandler & Associates, Inc., leaving Assignor with no interest.

SEE THE RIDER ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF FOR OTHER TERMS AND PROVISIONS OF THIS ASSIGNMENT.

| | |
|---|---|
| 3. Specify interest or percent of assignor's record title interest being conveyed to assignee | 20.678105 % |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | * None |
| 5. Specify overriding royalty being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5% of 8/8ths |

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 14th day of July, 1983, agreed by Assignor and Assignee to be effective as of June 1, 1983.

WILLIAMS EXPLORATION COMPANY

By: Joe Gill
Joe Gill, (Assignor's Signature) Attorney-in-Fact

3025 South Parker Road, Suite 600
(Assignor's Address)

Evidence of Power-of-Attorney is filed under W-56800 and such authority is still in force and effect.

Aurora Colorado 80014
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 01 1983

By Rebecca H. Hampton
(Authorized Officer)

ACTING Chief, Oil & Gas Section
554 (Title)

AUG 01 1984 (Date)

WY-2674

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accord-

FOR ASSIGNEE

## PART II
## ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 5th day of August , 19 83

BELCO PETROLEUM CORPORATION

BY: J. M. Oswald
(Assignee's Signature)

J. M. Oswald
Sr. Vice President

10,000 Old Katy Rd., Suite 100
(Assignee's Address)

Houston, Texas 77055
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

## INSTRUCTIONS

1. USE OF FORM – Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany the assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – Assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If bond is necessary, it *must* be furnished prior to approval of the assignment.

4. EFFECT OF ASSIGNMENT – Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does *not* change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.

5. A copy of the lease out of which this assignment is made should be obtained from the assignor.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106–3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 17th day of August, 1983.

My Commission Expires:

04-30-85

Lori A. Boliver

Lori A. Boliver, Notary Public in and for the State of Texas

FEDERAL LEASE SERIAL NO. W-48517
RIDER ATTACHED TO AND MADE A PART OF ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE DATED July 14, 1983, from Williams Exploration Company, Assignor, to Belco Petroleum Corporation, Assignee.

OTHER TERMS AND PROVISIONS OF ASSIGNMENT:

1. This assignment is made without warranty of any kind.

2. In consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby does bargain, sell, assign, transfer, convey, set over and deliver, effective as of June 1, 1983, unto Assignee, an undivided 20.678105 percent interest in and to the lease and lands described in the assignment to which this rider is attached together with a like undivided 20.678105 percent interest in and to the following:

(a.) All working and operating rights with respect thereto;

(b.) All equipment, personal property and fixtures therein, thereon and thereunder and used for oil and gas operations thereon or thereunder or held for use in connection therewith or servicing the same, including all oil wells, gas wells, injection wells, tanks, pumps, pipelines, flow lines, water lines, buildings, machinery and other facilities;

(c.) All easements, rights of way, permits, franchises, licenses, surface leases and servitudes relating thereto; and

(d.) All right, title and interest in, to and under or derived under or through any unitization, pooling or operating agreements and the units created thereby (including any and all units formed under orders, regulations, rules or other official acts of the governmental authority having jurisdiction) affecting the same.

3. This assignment is made subject to all the terms and the express and implied covenants and conditions of said lease, which terms, covenants and conditions Assignee hereby assumes and agrees to perform.

4. This assignment is made by the Assignor and accepted by the Assignee subject to all overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production which are of record and with which said lease or working interest therein is encumbered; and the Assignee hereby assumes and agrees to pay, perform or carry, as the case may be, its proportionate share of each of said overriding royalties, production payments, net profits obligations, carried working interests, and other payments out of or with respect to production, to the extent that it is or remains a burden on the lease or working interest herein assigned.

TO HAVE AND TO HOLD said assigned premises unto the Assignee, its successors and assigns, subject to the terms, conditions and covenants hereinabove set forth.

EXECUTED this 14th day of July, 1983, but agreed by Assignor and Assignee to be effective as of June 1, 1983.

WILLIAMS EXPLORATION COMPANY

By: Joe Gill
Joe Gill, Attorney-in-Fact

STATE OF COLORADO )
: SS.
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me by JOE GILL, as Attorney-in-Fact for Williams Exploration Company, this 14th day of July, 1983.

WITNESS my hand and official seal.

Mary E. Walther

Mary E. Walther
Notary Public-State of Colorado
3025 So. Parker Road
My Commission Expires 7-21-84

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of August, 1983.

My Commission Expires:

04-30-85

Lori A. Boliver
Lori A. Boliver, Notary Public in and for the State of Texas

559

Form 3106 - 5
(October 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name

Chandler & Associates, Inc.

Address *(include zip code)*
1401 Denver Club Bldg.,
Denver, Colorado 80202

Bond in sum of $ 50,000
with Home Indemnity Co.
(or surety filed.

The undersigned, as owner of 50 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

| 2. Describe the lands affected by this assignment | Assignment approved as to lands described below |
|---|---|
| Township 29 North, Range 112 West, 6th P.M.:<br><br>Section 17: E/2 W/2, SW/4 NW/4, SW/4 SE/4<br><br>containing 240 acres, more or less,<br>in Sublette County, Wyoming | to be a true and complete copy of the official records on file<br>BUREAU OF LAND MANAGEMENT<br><br>**SAME LAND DESCRIPTION AS ITEM 2** |

* By other assignments of this same date and time, Assignor is assigning an undivided 6.59743 percent interest to Adobe Oil & Gas Corporation and an undivided 20.678105 percent interest to Belco Petroleum Corporation, leaving Assignor with no interest.

SEE THE RIDER ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF FOR OTHER TERMS AND PROVISIONS OF THIS ASSIGNMENT.

| | |
|---|---|
| 3. Specify interest ~~or percent of assignor's record title interest~~ being conveyed to assignee | 22.724465 % |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | * none |
| 5. Specify overriding royalty being reserved by assignor | none |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5% of 8/8ths |

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 14th day of July, 19 83, agreed by Assignor and Assignee to be effective as of June 1, 1983.

WILLIAMS EXPLORATION COMPANY

By: Joe Gill
Joe Gill, (Assignor's Signature) Attorney-in-Fact

3025 South Parker Road, Suite 600
(Assignor's Address)

Evidence of Power-of-Attorney is filed under W-56800 and such authority is still in force and effect.

Aurora Colorado 80014
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective NOV 01 1983

By Rebecca A. Hampton
(Authorized Officer)
Chief, Oil & Gas Section
(Title)

[redacted] ACTING [redacted] 01 1984

## PART II

## ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 7th day of October , 1983

CHANDLER & ASSOCIATES, INC.

(Assignee's Signature)

J. F. Gavlick, Vice President

ATTEST: Patti H. Simpson

Patti H. Simpson, Secretary

1401 Denver Club Bldg.

(Assignee's Address)

Denver, CO 80202

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 7th day of October, 1983 by J. F. Gavlick, as Vice President of Chandler & Associates, Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

My commission expires May 5, 1986

Cynthia B. Moranus

Notary Public
1401 Denver Club Bldg., Denver, CO 80202

CERTIFIED
to be a true and complete copy
of the official records on file

BUREAU OF LAND MANAGEMENT

STATE OF COLORADO )
) SS.
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me by Joe Gill, as Attorney-in-Fact for WILLIAMS EXPLORATION COMPANY, this 14th day of July, 1983.

WITNESS my hand and official seal.

My commission expires:

7/21/84

Mary E Walther

Notary Public, State of Colorado
Mary E. Walther
3025 South Parker Road, Suite 600
Aurora, Colorado 80014

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106–3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

FEDERAL LEASE SERIAL NO. W-48517
RIDER ATTACHED TO AND MADE A PART OF ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE DATED July 14, 1983, from Williams Exploration Company, Assignor, to Chandler & Associates, Inc., Assignee.

OTHER TERMS AND PROVISIONS OF ASSIGNMENT:

1. This assignment is made without warranty of any kind.

2. In consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby does bargain, sell, assign, transfer, convey, set over and deliver, effective as of June 1, 1983, unto Assignee, an undivided 22.724465 percent interest in and to the lease and lands described in the assignment to which this rider is attached together with a like undivided 22.724465 percent interest in and to the following:

(a.) All working and operating rights with respect thereto;

(b.) All equipment, personal property and fixtures therein, thereon and thereunder and used for oil and gas operations thereon or thereunder or held for use in connection therewith or servicing the same, including all oil wells, gas wells, injection wells, tanks, pumps, pipelines, flow lines, water lines, buildings, machinery and other facilities;

(c.) All easements, rights of way, permits, franchises, licenses, surface leases and servitudes relating thereto; and

(d.) All right, title and interest in, to and under or derived under or through any unitization, pooling or operating agreements and the units created thereby (including any and all units formed under orders, regulations, rules or other official acts of the governmental authority having jurisdiction) affecting the same.

3. This assignment is made subject to all the terms and the express and implied covenants and conditions of said lease, which terms, covenants and conditions Assignee hereby assumes and agrees to perform.

4. This assignment is made by the Assignor and accepted by the Assignee subject to all overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production which are of record and with which said lease or working interest therein is encumbered; and the Assignee hereby assumes and agrees to pay, perform or carry, as the case may be, its proportionate share of each of said overriding royalties, production payments, net profits obligations, carried working interests, and other payments out of or with respect to production, to the extent that it is or remains a burden on the lease or working interest herein assigned.

TO HAVE AND TO HOLD said assigned premises unto the Assignee, its successors and assigns, subject to the terms, conditions and covenants hereinabove set forth.

EXECUTED this 14th day of July, 1983, but agreed by Assignor and Assignee to be effective as of June 1, 1983.

WILLIAMS EXPLORATION COMPANY

By: Joe Gill
Joe Gill / Attorney-in-Fact

STATE OF COLORADO )
: SS.
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me by JOE GILL, as Attorney-in-Fact for Williams Exploration Company, this 14th day of July, 1983.

WITNESS my hand and official seal.

Mary E. Walther

Mary E. Walther
Notary Public-State of Colorado
3025 So. Parker Road
My Commission Expires: 7-21-84

Form 3106 - 5
(October 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTE...
BUREAU OF LAND MANAGE...
'83 NOV -7 PM 2:25
RECEIVED
CHEYENNE, WYOMING

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

Lease Serial No. W-48517

Lease effective date January 1, 1975

FOR BLM OFFICE USE ONLY

New Serial No.

## PART I

1. Assignee's Name

Adobe Oil & Gas Corporation

Address *(include zip code)*
1100 Western United Life Bldg.,
Midland, Texas 79701

The undersigned, as owner of 50 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

| 2. Describe the lands affected by this assignment | Assignment approved as to lands described below |
|---|---|
| Township 29 North, Range 112 West, 6th P.M.:<br><br>Section 17: E/2 W/2, SW/4 NW/4, SW/4 SE/4<br><br>containing 240 acres, more or less, in Sublette County, Wyoming | SAME LAND DESCRIPTION AS ITEM 2<br>CERTIFIED<br>to be a true and complete copy of the official records on file<br>BUREAU OF LAND MANAGEMENT |

* By other assignments of this same date and time, Assignor is assigning an undivided 20.678105 percent interest to Belco Petroleum Corporation and an undivided 22.724465 percent interest to Chandler & Associates, Inc., leaving Assignor with no interest.

SEE THE RIDER ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF FOR OTHER TERMS AND PROVISIONS OF THIS ASSIGNMENT.

| | |
|---|---|
| 3. Specify interest ~~or percent of assignor's record title interest~~ being conveyed to assignee | 6.59743 % |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | * none |
| 5. Specify overriding royalty being reserved by assignor | none |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5% of 8/8ths |

* 7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 14th day of July, 1983, agreed by Assignor and Assignee to be effective as of June 1, 1983.

WILLIAMS EXPLORATION COMPANY

By: Joe Gill, Attorney-in-Fact
(Assignor's Signature)

3025 South Parker Road, Sute 600
(Assignor's Address)

Aurora Colorado 80014
(City) (State) (Zip Code)

Evidence of Power-of-Attorney is filed under W-56800 and such authority is still in force and effect

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1984

By ANDREW L. TARSHIS
(Authorized Officer)

Chief, Oil & Gas Section
(Title)

OCT 2 1985
(Date)

WY-2674

562

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in ac... with provisions of 43 CFR 3106.

563

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0-5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 25th day of October, 1984.

ADOBE OIL & GAS CORPORATION

H.R. Holcomb

(Assignee's Signature)

H.R. Holcomb - Vice President

1100 Western United Life Building

(Assignee's Address)

Midland, Texas 79701

(City) (State) (Zip Code)

DIVISION APPROVAL

ATTEST:

P.M. Welch Secretary

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction

THE STATE OF TEXAS I

COUNTY OF MIDLAND I

BEFORE ME, the undersigned authority, on this day personally appeared H. R. HOLCOMB, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of ADOBE OIL & GAS CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 25th day of October, 1984.

Rachel Hodge
Notary Public
State of Texas
My Commission Expires
3-22-88

Rachel Hodge
Notary Public in and for the
State of Texas

connection with information required by this assignment and request for approval

STATE OF COLORADO )
) SS.
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me by Joe Gill, as Attorney-in-Fact for WILLIAMS EXPLORATION COMPANY, this 14th day of July, 1983.

WITNESS my hand and official seal.

My commission expires:

7/21/84

Mary E. Walther
Notary Public, State of Colorado
Mary E. Walther
3025 South Parker Road, Suite 600
Aurora, Colorado 80014

...process of lease assignment and to determine the qualifications of assignees.

A Federal le[redacted]obligated to report this information under [redacted]s of 43 CFR 3106.

FEDERAL LEASE SERIAL NO. W-48517
RIDER ATTACHED TO AND MADE A PART OF ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE DATED July 14, 1983, from Williams Exploration Company, Assignor, to Adobe Oil & Gas Corporation, Assignee.

BUREAU OF LAND MANAGEMENT
1984 NOV -7 PM 2:25
RECEIVED
CHEYENNE, WYOMING

OTHER TERMS AND PROVISIONS OF ASSIGNMENT:

1. This assignment is made without warranty of any kind.

2. In consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby does bargain, sell, assign, transfer, convey, set over and deliver, effective as of June 1, 1983, unto Assignee, an undivided 6.597430 percent interest in and to the lease and lands described in the assignment to which this rider is attached together with a like undivided 6.597430 percent interest in and to the following:

(a.) All working and operating rights with respect thereto;

(b.) All equipment, personal property and fixtures therein, thereon and thereunder and used for oil and gas operations thereon or thereunder or held for use in connection therewith or servicing the same, including all oil wells, gas wells, injection wells, tanks, pumps, pipelines, flow lines, water lines, buildings, machinery and other facilities;

(c.) All easements, rights of way, permits, franchises, licenses, surface leases and servitudes relating thereto; and

(d.) All right, title and interest in, to and under or derived under or through any unitization, pooling or operating agreements and the units created thereby (including any and all units formed under orders, regulations, rules or other official acts of the governmental authority having jurisdiction) affecting the same.

3. This assignment is made subject to all the terms and the express and implied covenants and conditions of said lease, which terms, covenants and conditions Assignee hereby assumes and agrees to perform.

4. This assignment is made by the Assignor and accepted by the Assignee subject to all overriding royalties, production payments, net profits obligations, carried working interests and other payments out of or with respect to production which are of record and with which said lease or working interest therein is encumbered; and the Assignee hereby assumes and agrees to pay, perform or carry, as the case may be, its proportionate share of each of said overriding royalties, production payments, net profits obligations, carried working interests, and other payments out of or with respect to production, to the extent that it is or remains a burden on the lease or working interest herein assigned.

TO HAVE AND TO HOLD said assigned premises unto the Assignee, its successors and assigns, subject to the terms, conditions and covenants hereinabove set forth.

EXECUTED this 14th day of July, 1983, but agreed by Assignor and Assignee to be effective as of June 1, 1983.

WILLIAMS EXPLORATION COMPANY

By: Joe Gill
Joe Gill / Attorney-in-Fact

PPA

STATE OF COLORADO )
: SS.
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me by JOE GILL, as Attorney-in-Fact for Williams Exploration Company, this 14th day of July, 1983.

WITNESS my hand and official seal.

CERTIFIED
true and complete copy
of the official records on file
OCT 17 1984
BUREAU OF LAND MANAGEMENT

Mary E. Walther

Mary E. Walther
Notary Public-State of Colorado
3025 So Parker Road
My Commission Expires: 7-21-84

565

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
83 NOV -7 PM 2:

RECEIVED

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

to be a true and comparative copy
of the official records on file

BUREAU OF LAND MANAGEMENT

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name
Adobe Oil & Gas Corporation

Address (*include zip code*)
1700 Broadway
United Bank Center #717
Denver, Colorado 80202

The undersigned, as owner of 25 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6th P.M.
Section 17: SW 1/4 SE 1/4
Sublette County, Wyoming

From the surface of the ground down to the stratigraphic equivalent of the total depth drilled in the Federal #1-17 well, being a total depth of 4840 feet, Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 13.194860% of 25% or 03.298715% |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% of 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 12th day of July, 19 83, but effective as of 1st day of June, 19

OXOCO EXPLORATION & PRODUCTION INC.
(formerly OXOCO-Texas Inc.)

Margie M. Graham
(Assignor's Signature)

600 Woodway Tower
4900 Woodway Drive
(Assignor's Address)

Margie M. Graham, Vice President

ATTEST: Elizabeth C. Homen
Elizabeth C. Homen, Secretary

Houston, Texas 77056
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1984

By _____ ANDREW L. TARSHIS
(Authorized Officer)

Chief, Oil & Gas Section

[redacted] [redacted] OCT 2 1985

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER
OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☐ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☐ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 25th day of October, 1984.

ADOBE OIL & GAS CORPORATION

(Assignee's Signature)

H.R. Holcomb - Vice President

ATTEST:

P.M. Welch Secretary

1100 Western United Life Building

(Assignee's Address)

Midland, Texas 79701

(City) (State) (Zip Code)

| DIVISION | |
|---|---|
| APPROVAL | APPROVAL |

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this 12th day of July, 1983, personally appeared MARGIE M. GRAHAM to me known to be the identical person who subscribed the foregoing instrument, as Vice President of OXOCO EXPLORATION & PRODUCTION INC. (formerly OXOCO-Texas Inc.), and acknowledged to me that she executed the same for the purposes and consideration therein expressed,

THE STATE OF TEXAS §

COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared H. R. HOLCOMB, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of ADOBE OIL & GAS CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 25th day of October, 1984.

Rachel Hodge
Notary Public
State Texas
My Comm n Expires
5-22-88

Rachel L. Hodge
Notary Public in and for the
State of Texas

567

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

5 go

1. Assignee's Name

Chandler & Associates, Inc.

Address *(include zip code)*
1401 Denver Club Bldg.
Denver, Colorado 80202

The undersigned, as owner of 25 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6th p.m.
Section 17: SW 1/4 SE 1/4
Sublette County, Wyoming

From the surface of the ground down to the stratigraphic equivalent of the total depth drilled in the Federal #1-17 well, being a total depth of 4840 feet, Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 45.448930% of 25% or 11.3622325 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight/Eighths of Production (5% of 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 12th day of July, 1983, but effective as of 1st day of June, 198
OXOCO EXPLORATION & PRODUCTION INC.
(formerly OXOCO-Texas Inc.)

Margie M. Graham
(Assignor's Signature)

600 Woodway Tower
4900 Woodway Drive
(Assignor's Address)

Margie M. Graham, Vice President

ATTEST: Elizabeth C. Homen
Elizabeth C. Homen, Secretary

Houston, Texas 77056
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective NOV 01 1983

By Rebecca A. Thompson
(Authorized Officer)

[redacted] ACTING Chief, Oil & Gas Section [redacted] 01 1984

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER
OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed C-0123463.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☐ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete,, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 7th day of October, 1983.
CHANDLER & ASSOCIATES, INC.

J. F. Gavlick

(Assignee's Signature)

1401 Denver Club Bldg.

(Assignee's Address)

J. F. Gavlick, Vice President

ATTEST: Patti H. Simpson

Patti H. Simpson, Secretary

Denver, CO 80202

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE STATE OF TEXAS )
)
COUNTY OF HARRIS )

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this 12th day of July, 1983, personally appeared MARGIE M. GRAHAM to me known to be the identical person who subscribed the foregoing instrument, as Vice President of OXOCO EXPLORATION & PRODUCTION INC. (formerly OXOCO-Texas Inc.), and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of July, 1983.

Notary Public in and for Harris County, Texas

My Commission Expires:

MERLENE SHAW
Notary Public, State of Texas
My Commission Expires June 1, 1987
Bonded by Lovett Agency, Lawyers Surety Corp.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of nota-

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 7th day of October, 1983 by J. F. Gavlick, as Vice President of Chandler & Associates, Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

My commission expires May 1986 568

Cynthia B. Peramond
Notary Public

569

BDC #1180-086

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name

Belco Petroleum Corporation

Address *(include zip code)*
10000 Katy Road, Suite 100
Houston, Texas 77055

The undersigned, as owner of 25 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6th P.M.
Section 17: SW 1/4 SE 1/4
Sublette County, Wyoming

From the surface of the ground down to the stratigraphic equivalent of the total depth drilled in the Federal #1-17 well, being a total depth of 4840 feet, Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 41.356210% of 25% or 10.3390525 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% of 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 12th day of July, 1983, but effective as of 1st day of June, 19

OXOCO EXPLORATION & PRODUCTION INC.
(formerly OXOCO-Texas Inc.)

Margie M. Graham
(Assignor's Signature)

Margie M. Graham, Vice President

ATTEST: Elizabeth C. Homen
Elizabeth C. Homen, Secretary

600 Woodway Tower
4900 Woodway Drive
(Assignor's Address)

Houston, Texas 77056
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 01 1983

By Rebecca W. Hampton
(Authorized Officer)

ACTING Chief, Oil & Gas Section

PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is [ ] Individual [ ] Municipality [ ] Association [X] Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed W-56943.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee [X] is [ ] is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 5th day of August, 1983.

BELCO PETROLEUM CORPORATION

BY: J. M. Oswald
(Assignee's Signature)
J. M. Oswald
Sr. Vice President

10,000 Old Katy Road, Suite 100
(Assignee's Address)

Houston, Texas 77055
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this 12th day of July, 1983, personally appeared MARGIE M. GRAHAM to me known to be the identical person who subscribed the foregoing instrument, as Vice President of OXOCO EXPLORATION & PRODUCTION INC. (formerly OXOCO-Texas Inc.), and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of July, 1983.

My Commission Expires:

Notary Public in and for Harris County, Texas

MERLENE SHAW
Notary Public, State of Texas
My Commission Expires June 1, 1987
Bonded by Lovell Agency, Lawyers Surety Corp.

(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

GPO 833-059

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of

_____, 19__.

_____

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name

ADOBE OIL & GAS CORPORATION

Address *(include zip code)*

1100 WESTERN UNITED LIFE BLDG., MIDLAND, TX 79701

The undersigned, as owner of 50 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM

Section 17: SW/4 SE/4 (below 4840 feet)

Sublette County, Wyoming

CERTIFIED
to be a true and comparative copy
of the official records on file
NOV 10 1987
BUREAU OF LAND MANAGEMENT

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee .13194860 x 50% | .06597430 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% x 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June , 1983 .

TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

P. O. BOX 2329
(Assignor's Address)

William H. Everett III
Secretary

TULSA (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1984

By ANDREW L. TARSHIS
(Authorized Officer)

Chief, Oil & Gas Section
(Title)

OCT 2 1985
(Date)

572

ORIGINAL

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☐ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☐ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 25th day of October, 1984.

ADOBE OIL & GAS CORPORATION

THE STATE OF TEXAS §

COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared H. R. HOLCOMB, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of ADOBE OIL & GAS CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 25th day of October, 1984.

Rachel Hodge
Notary Public
State of Texas
My Commission Expires
3-22-87

Rachel Hodge
Notary Public in and for the
State of Texas

the date of filing of all required papers.

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:
MY COMMISSION EXPIRES JANUARY 28, 1985

Lula B. Louviere
Notary Public in and for said Co
and State Lula B. Louviere

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name
ADOBE OIL & GAS CORPORATION

Address (*include zip code*)
1100 WESTERN UNITED LIFE BLDG., MIDLAND, TX 79701

The undersigned, as owner of 25 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM

Section 17: SW/4 SE/4

Sublette County, Wyoming

From the surface of the ground down to the stratigraphic equivalent of the Total Depth drilled in the Federal #1-17 well, being a total depth of 4,840 feet, Sublette County, Wyoming.

CERTIFIED
to be a true and comparative copy
of the official records on file
NOV 10 1987
BUREAU OF LAND MANAGEMENT

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee .13194860 x .25 | .03298714 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% x 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June, 1983.

TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

William H. Everett III
Secretary

P. O. BOX 2329
(Assignor's Address)

TULSA (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1984

By ANDREW L. TARSHIS
(Authorized Officer)

Chief, Oil & Gas Section
(Title)

OCT 2 1985
(Date)

574

*NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with the provisions of 43 CFR 3106.*

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☐ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☐ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of under-

THE STATE OF TEXAS §

COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared H. R. HOLCOMB, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of ADOBE OIL & GAS CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 25th day of October, 1984.

Rachel Hodge
Notary Public
State of Texas
My Commission Expires
3-22-88

Rachel Hodge
Notary Public in and for the
State of Texas

---

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:

[illegible] 28, 1985

Lula B. Lowrie
Notary Public in and for said County and State

23[redacted]74-00 ) [redacted] ) [redacted]

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name

CHANDLER & ASSOCIATES, INC.

Address (*include zip code*)

1401 DENVER CLUB BUILDING, DENVER, CO 80202

5 go

The undersigned, as owner of 50 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM

Section 17: SW/4 SE/4 (below 4840 feet)

Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee .45448930 x 50% | .22724465 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% x 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June , 1983 .

TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

P. O. BOX 2329
(Assignor's Address)

William H. Everett III
Surrogate

TULSA (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective NOV 01 1983 By Rebecca L. Wasgatt
(Authorized Officer)

for Chief, Oil & Gas Section
(Title)

AUG 01 1984
(Date)

576

NOTE: *This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form*

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER
OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is [ ] Individual [ ] Municipality [ ] Association [x] Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed C-0123463 .
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee [ ] is [ ] is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 7th day of October, 1983.
CHANDLER & ASSOCIATES, INC.

J. F. Gavlick

(Assignee's Signature)

1401 Denver Club Bldg.

(Assignee's Address)

J. F. Gavlick, Vice President

ATTEST: Patti H. Simpson

Patti H. Simpson, Secretary

Denver, CO 80202

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:
MY COMMISSION EXPIRES JANUARY 28, 1985

Lula B. Lowrie
Notary Public in and for said County and State Lula B. Lowrie

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 7th day of October, 1983 by J. F. Gavlick, as Vice President of Chandler & Associates, Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

My [redacted]ssion expires May 5, 1986

Cynthia B. Morgenroth
Notary Public
[redacted] CO 80202

2318-[redacted]-00

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name
CHANDLER & ASSOCIATES, INC.

Address *(include zip code)*
1401 DENVER CLUB BUILDING, DENVER, CO 80202

The undersigned, as owner of 25 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM

Section 17: SW/4 SE/4

Sublette County, Wyoming

From the surface of the ground down to the stratigraphic equivalent of the Total Depth drilled in the Federal #1-17 well, being a total depth of 4,840 feet, Sublette County, Wyoming.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee .45448930 x .25 | .11362233 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% x 8/8ths) |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June , 1983 .

TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

William H. Everett III
Secretary

P. O. BOX 2329
(Assignor's Address)

TULSA (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective NOV 01 1983

By Rebecca H. Hampton
(Authorized Officer)

ACTING Chief, Oil & Gas Section
578 (Title)

AUG 01 1984 (Date)

NOTE: *This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form.*

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is [ ] Individual [ ] Municipality [ ] Association [X] Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed C-0123463.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee [ ] is [ ] is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 7th day of October, 19 83.
CHANDLER & ASSOCIATES, INC.

(Assignee's Signature)
J. F. Gavlick, Vice President

1401 Denver Club Bldg.
(Assignee's Address)

ATTEST: Patti A Simpson

Denver, CO 80202
(City) (State) (Zip Code)

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:
MY COMMISSION EXPIRES JANUARY 28, 1985

Lula B. Louviere
Notary Public in and for said County and State Lula B. Louviere

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 7th day of October, 1983 by J. F. Gavlick, as Vice President of Chandler & Associates, Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

[redacted] Cynthia B. Moran [redacted]

Form 3106-5
(October 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-48517

Lease effective date
01/01/75

FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name

BELCO DEVELOPMENT CORPORATION

Address *(include zip code)*

10,000 Old Katy Road, Houston, Texas 77055

The undersigned, as owner of 41.35621 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

| 2. Describe the lands affected by this assignment | Assignment approved as to lands described below |
|---|---|
| Township 29 North, Range 112 West, 6th P.M.<br>Section 17: E2W2, SW4 NW4, SW4 SE4<br>containing 240 acres, more or less,<br>in Sublette County, Wyoming | W 48517<br><br>T 29 N, R 112 W, 6th Prin Mer, WY<br>Sec 17: SE¼NW¼, E½SW¼, SW¼SE¼<br>160 acres<br><br>W 89135<br><br>T 29 N, R 112 W, 6th Prin Mer, WY<br>Sec 17: NE¼NW¼, SW¼NW¼<br>80 acres |

| | |
|---|---|
| 3. Specify interest or percent of assignor's record title interest being conveyed to assignee | 100% of 41.35621% |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | -0- |
| 5. Specify overriding royalty being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5% of 8/8ths |

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

This assignment is made without warranty of title, either express or implied.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June, 19 83, in quadruplicate originals.

BELCO PETROLEUM CORPORATION

R. A. Grinstead

(Assignor's Signature)

One Dag Hammarskjold Plaza

(Assignor's Address)

R. A. Grinstead
Vice President

New York New York 10017
(City) (State) (Zip Code)

BDC Lease # 1180-086

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 0 1 1983

By Judith A. Moffitt
(Authorized Officer)

Chief, Oil & Gas Section

NOV 0 2 1984
(Title) (Date)

580

FOR ASSIGNEE

NOTE: This form may be reproduced provided that copies are [illegible]

## PART II
### ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; associations of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.–

Executed this 17th day of August , 19 83

BELCO DEVELOPMENT CORPORATION

J. M. Oswald

(Assignee's Signature)

J. M. Oswald
Senior Vice President

10,000 Old Katy Road
(Assignee's Address)

Houston Texas 77055
(City) (State) (Zip Code)

**Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.**

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany the assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – Assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If bond is necessary, it *must* be furnished prior to approval of the assignment.

4. EFFECT OF ASSIGNMENT – Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does *not* change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.

5. A copy of the lease out of which this assignment is made should be obtained from the assignor.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106–3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO DEVELOPMENT CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 17th day of August, 1983.

MY COMMISSION EXPIRES:

04-30-85

Lori A. Boliver
Lori A. Boliver, Notary Public in and for the State of Texas

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared R. A. GRINSTEAD, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 1st day of June, 1983.

MY COMMISSION EXPIRES:

04-30-85

Lori A. Boliver
Lori A. Boliver, Notary Public in and for the State of Texas

2318-44074-00

583

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name

BELCO PETROLEUM CORPORATION

Address *(include zip code)*

10000 OLD KATY ROAD, SUITE 100, HOUSTON, TX 77055

The undersigned, as owner of 50 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM

Section 17: SW/4 SE/4 (below 4840 feet)

Sublette County, Wyoming

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee .41356210 x 50% | .20678105 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any Five Percent of Eight-Eighths of Production (5% x 8/8ths) | |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June , 1983 .

TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

William H. Everett III
Secretary

P. O. BOX 2329
(Assignor's Address)

TULSA (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 01 1983

By Rebecca D. Hampton
(Authorized Officer)

Chief, Oil & Gas Section

[illegible] ASTING

AUG 01 1984

[redacted] [redacted] [redacted]

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER
OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is [ ] Individual [ ] Municipality [ ] Association [X] Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee [X] is [ ] is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 17th day of August , 19 83.

BELCO PETROLEUM CORPORATION

J. M. Oswald
(Assignee's Signature)

J. M. Oswald
Sr. Vice President

10,000 Old Katy Rd., Suite 100
(Assignee's Address)

Houston Texas 77055
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the [illegible] matter within its jurisdiction.

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:
MY COMMISSION EXPIRES JANUARY 28, 1985

Lula B. Lawrence
Notary Public in and for said County and State

(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

GPO 833-050

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 17th day of August, 1983.

My Commission Expires:

04-30-85

Lori A. Boliver, Notary Public in and for the State of Texas

23 [redacted] 74-00 [redacted]

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

## PART I

1. Assignee's Name
BELCO PETROLEUM CORPORATION

Address *(include zip code)*
10000 OLD KATY ROAD, SUITE 100, HOUSTON, TX 77055

The undersigned, as owner of 25 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3)

TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM

Section 17: SW/4 SE/4

Sublette County, Wyoming

From the surface of the ground down to the stratigraphic equivalent of the Total Depth drilled in the Federal #1-17 well, being a total depth of 4,840 feet, Sublette County, Wyoming.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee .41356210 x .25 | .10339053 |
| 4. Specify interest or percent of operating rights being retained by assignor | -0- |
| 5. Specify overriding royalty interest being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any Five Percent of Eight-Eighths of Production (5% x 8/8ths) | |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June , 1983 .

TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

P. O. BOX 2329
(Assignor's Address)

TULSA (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 01 1983

By Rebecca H. Hampton
(Authorized Officer)

for ACTING Chief Oil & Gas Section
586 (Title)

AUG 01 1984
(Date)

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is [ ] Individual [ ] Municipality [ ] Association [X] Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee [X] is [ ] is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 17th day of August, 1983.

BELCO PETROLEUM CORPORATION

J. M. Oswald

(Assignee's Signature)

10,000 Old Katy Rd., Suite 100

(Assignee's Address)

J. M. Oswald
Sr. Vice President

Houston Texas 77055

(City) (State) (Zip Code)

...department or agency of the

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:

MY COMMISSION EXPIRES JANUARY 22, 1985

Lula B. Lawrence
Notary Public in and for said County and State

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

STATE OF ... COUN...

[redacted] [redacted] [redacted] PO 833 - 059

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 17th day of August, 1983.

My Commission Expires:

04-30-85

Lori A. Boliver, Notary Public in and for the State of Texas

589

2318-44074-00

Form 3106-5
(November 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

FOR BLM OFFICE USE ONLY

New Serial No.

## PART I

1. Assignee's Name

CHANDLER & ASSOCIATES, INC.

Address *(include zip code)*

1401 DENVER CLUB BUILDING, DENVER, CO 80202

The undersigned, as owner of 50 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

| 2. Describe the lands affected by this assignment | Assignment approved as to lands described below |
|---|---|
| TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM<br><br>SECTION 17: E/2 W/2, SW/4 NW/4, SW/4 SE/4<br><br>Containing 240 acres, more or less<br>Sublette County, Wyoming | SAME LAND DESCRIPTION AS ITEM 2 |

| | |
|---|---|
| 3. Specify interest or percent of assignor's record title interest being conveyed to assignee | .45448930 x 50% = .22724465 |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | -0- |
| 5. Specify overriding royalty being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% x 8/8ths) |

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June, 1983.
TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

P. O. Box 2329
(Assignor's Address)

William H. Everett III
Secretary

Tulsa (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective NOV 01 1983

By Rebecca H. Hampton
(Authorized Officer)

Chief, Oil & Gas Section
ACTING

AUG 01 1984
(Date)

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT
   1. Assignee is over the age of majority
   2. Assignee is a citizen of the United States
   3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed C-0123463.
   4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
   5. Assignee ☐ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
   6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 7th day of October, 19 83.

CHANDLER & ASSOCIATES, INC.

J. F. Gavlick, (Assignee's Signature) Vice President

ATTEST: Patti H. Simpson

Patti H. Simpson, Secretary

1401 Denver Club Bldg.
(Assignee's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:

MY COMMISSION EXPIRES JANUARY 28, 1985

Lula B. Louvierre
Notary Public in and for said County and State Lula B. Louvierre

(1) The adjudication of the assignee's rights to the [illegible] resources.
(2) Documentation for public information in support of notations made on land status records for the management.

STATE OF COLORADO )
) ss.
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 7th day of October, 1983 by J. F. Gavlick, as Vice President of Chandler & Associates, Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

My commission expires May 5, 1986

Cynthia B. Moraneus
Notary Public
1401 Denver Club Bldg., Denver, CO 80202

591

2318-44074-00

BDC #1180-086

Form 3106-5
(November 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

# ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-48517

Lease effective date
January 1, 1975

FOR BLM OFFICE USE ONLY

New Serial No.

## PART I

1. Assignee's Name

BELCO PETROLEUM CORPORATION

Address *(include zip code)*

10000 OLD KATY ROAD, SUITE 100, HOUSTON, TX 77055

Bond in sum of $ 150,000
with The Home Indemnity Co.
as surety filed.

The undersigned, as owner of 50 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

| 2. Describe the lands affected by this assignment | Assignment approved as to lands described below |
|---|---|
| TOWNSHIP 29 NORTH, RANGE 112 WEST, 6TH PM<br><br>SECTION 17: E/2 W/2, SW/4 NW/4, SW/4 SE/4<br><br>Containing 240 acres, more or less<br>Sublette County, Wyoming | SAME LAND DESCRIPTION AS ITEM 2 |

| | |
|---|---|
| 3. Specify interest or percent of assignor's record title interest being conveyed to assignee .41356210 x 50% | .20678105 |
| 4. Specify interest or percent of record title interest being retained by assignor, if any | -0- |
| 5. Specify overriding royalty being reserved by assignor | -0- |
| 6. Specify overriding royalty previously reserved or conveyed, if any | Five Percent of Eight-Eighths of Production (5% x 8/8ths) |

7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of June , 1983 .
TERRA RESOURCES, INC.

F. H. MERELLI (Assignor's Signature) PRESIDENT

P. O. Box 2329
(Assignor's Address)

William H. Everett III
Secretary

Tulsa (City) OK (State) 74101 (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective [illegible] By Rebecca H. Hampton
(Authorized Officer)

[illegible] Chief, Oil & Gas Section

AUG 01 1984

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed _____.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☒ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 17th day of August , 1983 .

BELCO PETROLEUM CORPORATION

J. M. Oswald
(Assignee's Signature)

J. M. Oswald
Sr. Vice President

10,000 Old Katy Rd., Suite 100
(Assignee's Address)

Houston (City) Texas (State) 77055 (Zip Code)

...knowingly and willfully to make to any department or agency of the

STATE OF OKLAHOMA )
)
COUNTY OF TULSA )

On the 15th day of June, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared F. H. Merelli, known to me to be the President and William H. Everett III, known to me to be the Secretary of Terra Resources, Inc., the corporation that executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said State the day and year in this certificate first above written.

My commission expires:

MY COMMISSION EXPIRES JANUARY 28, 1985

Lula B. Louviere
Notary Public in and for said County and State

Lula B. Louviere

process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION — If all the information is not provided, the assignment may be rejected.

Bureau of Land Management collects this information pursuant to the law (See 43 CFR 3106-3(c)).

Bureau of Land Management uses the information to create a record of lease-assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared J. M. OSWALD, known to me to be the person whose name is subscribed to the foregoing instrument, as Senior Vice President of BELCO PETROLEUM CORPORATION, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 17th day of August, 1983.

My Commission Expires:

04-30-85

Lori A. Boliver

Lori A. Boliver, Notary Public in and for the State of Texas

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 10th day of November, 19 87,
by and between William R. Corser, also known as W. R. Corser, and Jane S. Corser, husband and wife, 2015 North Louise, Santa Anna, CA 92706
herein referred to as assignor, (whether one or more) and
Huntington T. Walker
P. O. Box 2409
Denver, CO 80201
hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors) and assigns, an overriding royalty equal to 0.5% of 8/8th's
of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be produced, saved and marketed from the following described lands situated in the County of Sublette, State of Wyoming to-wit:

Township 28 North, Range 115 West, 6th P.M.
Section 26: All.
containing 640.00 acres

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and W. R. Corser and Patricia Halagan, as lessee, bearing No. W-57546 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the United States of America under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

SS# 523-30-9488A

William R. Corser
William R. Corser, a/k/a W. R. Corser

Jane S. Corser
Jane S. Corser

STATE OF California
County of ORANGE } ss.

On this 16th day of November, 19 87, before me personally appeared William R. Corser, also known as W. R. Corser, and Jane S. Corser, husband and wife to me known to be the person s described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Witness my hand and seal the day and year last above written.

My commission expires 5/21/90. Albert L. Hall
Notary Public

OFFICIAL SEAL
ALBERT L. HALL
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
ORANGE COUNTY
My Commission Exp. May 21, 1990

STATE OF Wyoming
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dece A. D., 1987 at 9:30 o'clock; A m., and duly recorded in Book 80 Page 593 of the Oil & Gas records, 593 of said County.

Mary L. Lankford
County Clerk

By Mary A. Riley, Deputy

Rec. No. 219042 Fees, $ 4.00

Return to HUNT WALKER
P. O. BOX 2409
DENVER, CO 80201 2409

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 13th day of November, 1987,

by and between Panos Investment Company, a Utah Partnership, 149 E. 900 South, Box 2151, Salt Lake City, Utah 84110
herein referred to as assignor, (whether one or more) and
Bradley K. Panos
149 E. 900 South, Box 2151
Salt Lake City, UT 84110 hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors) and assigns, an overriding royalty equal to 5.0% of 8/8th's of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be produced, saved and marketed from the following described lands situated in the County of Sublette, State of Wyoming to-wit:

Township 28 North, Range 115 West, 6th P.M.
Section 4: Lot 6, SW¼
Containing 192.92 acres, more or less.

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and Tom Panos, as lessee, bearing No. W-45878 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the United States of America under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

Panos Investment Company,
a Utah Partnership

By: Thomas G. Panos
Thomas G. Panos, General Partner

STATE OF Utah }
County of Salt Lake } ss.

On this 13th day of November, 1987, before me personally appeared Thomas G. Panos, General Partner of Panos Investment Company, a Utah Partnership to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Witness my hand and seal the day and year last above written.

Maxine Smith
Notary Public

My commission expires 8-17-88

STATE OF Wyoming }
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dec. A. D., 1987 at 9:30 o'clock; A m., and duly recorded in Book 80 Page 594 of the Oil & Gas [redacted] rec [redacted] of said County.

Mary L. Lankford
County Clerk

By Mary Riley, Deputy

Rec. No. 218044 Fees, $ 4.00

Return to HUNT WALKER
P. O. BOX 2409
DENVER, CO [redacted] 2409

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 16th day of November, 19 87,

by and between Bradley K. Panos and Christina C. Panos, husband and wife,
149 E. 900 South, Box 2151, Salt Lake City, UT 84110

herein referred to as assignor, (whether one or more) and

Huntington T. Walker
P.O. Box 2409
Denver, CO 80201

hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors) and assigns, an overriding royalty equal to 5.0% of 8/8th's of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be produced, saved and marketed from the following described lands situated in the County of Sublette, State of Wyoming to-wit:

Township 28 North, Range 115 West, 6th P.M.
Section 4: Lot 6, SW¼
Containing 192.92 acres, more or less.

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and Tom Panos, as lessee, bearing No. W-45878 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the United States of America under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

SS# 529-62-0818

Bradley K. Panos

Christina C. Panos

STATE OF Utah }
County of Salt Lake } ss.

On this 16th day of November, 19 87, before me personally appeared Bradley K. Panos and Christina C. Panos, husband and wife to me known to be the person s described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Witness my hand and seal the day and year last above written.

Maurine Smith
Notary Public

My commission expires 8-17-88

---

STATE OF Wyoming }
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dec. A. D., 1987 at 9:30 A o'clock; .....m., and duly recorded in Book 80 Page 595 of the Oil & Gas records, of said County.

Mary L. Lankford
County Clerk

By Mary Riley, Deputy

Rec. No. 219045 Fees, $ 4.00

Return to HUNT WALKER
P. O. BOX 2409
DENVER, CO 80201 2409

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 13th day of November, 19 87,

by and between Panos Investment Company, a Utah Partnership,
149 E. 900 South, Box 2151, Salt Lake City, Utah 84110
herein referred to as assignor, (whether one or more) and

Bradley K. Panos
149 E. 900 South, Box 2151
Salt Lake City, Utah 84110 hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors) and assigns, an overriding royalty equal to 3.5% of 8/8ths of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be produced, saved and marketed from the following described lands situated in the County of Sublette, State of Wyoming to-wit:

TOWNSHIP 29 NORTH: RANGE 115 WEST, 6th P.M.
Sec. 14: NE/4; E/2NW/4; S/2
Containing 560.00 acres, more or less

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and Gus Carras, as lessee, bearing No. W-80232 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the Lessor under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

PANOS INVESTMENT COMPANY, A UTAH PARTNERSHIP

By: Thomas G. Panos
Thomas G. Panos, General Partner

STATE OF Utah }
County of Salt Lake } ss.

On this 13th day of November, 19 87, before me personally appeared Thomas G. Panos, General Partner of Panos Investment Company, a Utah Partnership to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Witness my hand and seal the day and year last above written.

My commission expires 8-17-88

Maurine Smith
Notary Public

STATE OF Wyoming }
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dec. A. D., 19 87 at 9:30 o'clock; A m., and duly recorded in Book 80 Page 596 of the Oil & Gas [redacted] rec [redacted] of said County.

Mary J. Lankford
County Clerk

By Mary Riley, Deputy

Rec. No. 219046 Fees, $ 4.00

Return to HUNT WALKER
P. O. [redacted]
DENVER, CO [redacted] 2409

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 16th day of November, 19 87,

by and between Bradley K. Panos and Christina C. Panos, husband and wife,
149 E. 900 South, Box 2151, Salt Lake City, Utah 84110
herein referred to as assignor, (whether one or more) and

Huntington T. Walker
P.O. Box 2409
Denver, Colorado 80201 hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors)

and assigns, an overriding royalty equal to 3.5% of 8/8ths of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be

produced, saved and marketed from the following described lands situated in the County of Sublette,

State of Wyoming to-wit:

TOWNSHIP 29 NORTH: RANGE 115 WEST, 6th P.M.
Sec. 14: NE/4; E/2NW/4; S/2
Containing 560.00 acres more or less

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and Gus Carras, as lessee, bearing No. W-80232 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the Lessor under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

Bradley K. Panos SS# 529-62-0818

Christina C. Panos

STATE OF Utah
County of Salt Lake } ss.

On this 16th day of November, 1987, before me personally appeared Bradley K. Panos and Christina C. Panos, husband and wife to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Witness my hand and seal the day and year last above written.

Maurine Smith
Notary Public

My commission expires 8-17-88

STATE OF Wyoming
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dec. A. D., 1987 at 9:30 o'clock; A m., and duly recorded in Book 80 Page 597 of the Oil & Gas records, of said County.

Mary L. Lankford
County Clerk

By Mary Riley, Deputy

Rec. No. 219047 Fees, $ 4.00

Return to HUNT WALKER
P. O. BOX 2409
DENVER, CO 80201-2409

598

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 13th day of November, 19 87,

by and between Panos Investment Company, a Utah Partnership,
149 E. 900 South, Box 2151, Salt Lake City, Utah 84110
herein referred to as assignor, (whether one or more) and

Bradley K. Panos
149 E. 900 South, Box 2151
Salt Lake City, Utah 84110 hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors) and assigns, an overriding royalty equal to 3.5% of 8/8ths---------- of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be produced, saved and marketed from the following described lands situated in the County of Sublette, State of Wyoming to-wit:

TOWNSHIP 29 NORTH: RANGE 115 WEST, 6th P.M.
Sec. 1: ALL
Sec. 2: ALL
Sec. 11: E/2; E/2W/2
Containing 1,760.00 acres, more or less

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and Gus Carras, as lessee, bearing No. W-67196 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the Lessor under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

PANOS INVESTMENT COMPANY, A UTAH PARTNERSHIP

By: Thomas G. Panos
Thomas G. Panos, General Partner

STATE OF Utah
County of Salt Lake } ss.

On this 13th day of November, 1987, before me personally appeared Thomas G. Panos, General Partner of Panos Investment Company, a Utah Partnership, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Witness my hand and seal the day and year last above written.

My commission expires 8-17-88

Maurine Smith
Notary Public

STATE OF Wyoming
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dec. A. D., 1987 at 9:30 o'clock; A m., and duly recorded in Book 80 Page 598 of the Oil & Gas records of said County.

Mary L. Lankford
County Clerk

By Mary Riley, Deputy

Rec. No. 219048 Fees, $ 4.00

Return to HUNT WALKER
P. O. BOX 2409
DENVER, CO [redacted]409

New Mexico or U.S.A. Form 329 Printed and for sale by Hall-Poorbaugh Press, Roswell, N. M.

# ROYALTY ASSIGNMENT

This assignment made and entered into this 16th day of November, 19 87,

by and between Bradley K. Panos and Christina C. Panos, husband and wife,
149 E. 900 South, Box 2151, Salt Lake City, Utah 84110
herein referred to as assignor, (whether one or more) and

Huntington T. Walker
P.O. Box 2409
Denver, Colorado 80201

hereinafter referred to as assignee, (whether one or more).

WITNESSETH:

The undersigned assignor for and in the consideration of the sum of $10.00 and other good and valuable considerations to assignor in hand paid by said assignee, the receipt whereof is hereby confessed and acknowledged, does hereby sell, assign, transfer, set over and convey unto said assignee, heirs, personal representatives (or its successors) and assigns, an overriding royalty equal to 3.5% of 8/8ths of the market value at the wells as produced of all of the oil and gas and other hydrocarbon substances which may be produced, saved and marketed from the following described lands situated in the County of Sublette, State of Wyoming to-wit:

TOWNSHIP 29 NORTH: RANGE 115 WEST, 6th P.M.
Sec. 1: ALL
Sec. 2: ALL
Sec. 11: E/2; E/2W/2
Containing 1,760.00 acres, more or less

under the terms of that certain oil and gas lease made and entered into by and between the United States of America as lessor, and Gus Carras, as lessee, bearing No. W-67196 or any extension or renewal thereof; said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the Lessor under the terms of said lease are computed and paid; and assignee shall be responsible for assignee's proportionate part of all taxes and assessments levied upon or against or measured by the production of oil and gas from said land.

TO HAVE AND TO HOLD said royalty interest unto assignee, heirs, personal representatives (or its successors) and assigns forever. For the same consideration assignor covenants with and warrants to said assignee that said royalty interest is in good standing, that it is free and clear of all liens and encumbrances and that assignor will warrant and forever defend the title thereto unto said assignee, heirs, personal representatives (or its successors) and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF this assignment is executed on the day and year first hereinabove written.

Bradley K. Panos SS# 529-62-0818

Christina C. Panos

STATE OF Utah
County of Salt Lake } ss.

On this 16th day of November, 19 87, before me personally appeared Bradley K. Panos and Christina C. Panos, husband and wife to me known to be the person s described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Witness my hand and seal the day and year last above written.

Maurine Smith
Notary Public

My commission expires 8-17-88

STATE OF Wyoming
County of Sublette } ss.

I hereby certify that this instrument was filed for record on the 7 day of Dec. A. D., 1987 at 9:30 o'clock; A m., and duly recorded in Book 80 Page 599 of the Oil & Gas records of said County.

Mary L. Lankford
County Clerk

By Mary Riley, Deputy

Rec. No. 218049 Fees, $ 4.00

Return to HUNT WALKER
P. O. BOX 2409
DENVER, CO 80201-2409

599

# STIPULATION OF INTEREST

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned are the owners of undivided interests as set forth below in oil, gas, and other minerals in and under the following described land, situate in Sublette County, State of Wyoming, to-wit:

Township 29 North, Range 112 West, 6th P.M.
Section 18: Lots 1, 2, $E\frac{1}{2}NW\frac{1}{4}$
Township 29 North, Range 113 West, 6th P.M.
Section 11: $E\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$ ; Section 12: $NW\frac{1}{4}SW\frac{1}{4}$, $S\frac{1}{2}S\frac{1}{2}$; Section 13: $N\frac{1}{2}N\frac{1}{2}$, $SE\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$, $SE\frac{1}{4}SW\frac{1}{4}$
Section 14: $N\frac{1}{2}NE\frac{1}{4}$, $NE\frac{1}{4}NW\frac{1}{4}$; Section 24: $N\frac{1}{2}NE\frac{1}{4}$

WHEREAS, the undersigned parties are desirous of determining said individual interest,

NOW, THEREFORE, in consideration of the sum of ONE DOLLAR ($1.00) and mutual advantages to be derived hereunder, the undersigned parties and each of them do hereby agree, declare and stipulate that their interest in and to the oil, gas, and other minerals in and under the above described land is as follows:

| MINERAL OWNER | INTEREST |
|---|---|
| Harriet E. Chrisman, a single woman | .19921875 |
| Charles G. Chrisman, a single man | .13671875 |
| John N. Chrisman and Nadine Chrisman, husband and wife | .13671875 |
| Helen C. Sears and Frank E. Sears, Jr., wife and husband | .13671875 |
| Frank W. Sears, a single man | .1171875 |

AND FURTHER, the undersigned parties, and each of them, do hereby grant, bargain, sell and convey to the other, whatever interest is necessary to effectuate the purpose of this instrument.

THIS Instrument is binding upon and is effective as to the interest of each party who executed same without regard as to whether it is executed by any other person whomsoever.

IN WITNESS WHEREOF, we sign this _____ day of _____, 19___.

Harriet E. Chrisman SS#520-34-1682

Charles G. Chrisman SS#520-34-1684

John N. Chrisman SS# 520-34-1690

Nadine Chrisman SS# 520-01-9348

Helen C. Sears SS# 520-34-8898

Frank E. Sears SS# 520-07-3931

Frank W. Sears SS# 520-52-8232

219084

STATE OF WYOMING )
)
COUNTY OF Lincoln )

RECORDED Dec. 8 1987 9:40 AM
IN BOOK 80 O&G PAGE 600
FEES $ See Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mae Riley

On this 20 day of November, 1987, before me, personally appeared Harriet E. Chrisman, Charles G. Chrisman, John N. Chrisman and ~~Nadine Chrisman, Helen C. Sears and Frank E. Sears, Jr., Frank~~ W. Sears to me know to be the person s described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

Mae Jean Julian
County of
Lincoln
My Commission Expires:
[redacted]

Notary Public
State of
Wyoming

Mae Jean Julian
Notary Public

[redacted]

# RATIFICATION AND ROYALTY DIVISION ORDER

KNOW ALL MEN BY THESE PRESENTS:

That, WHEREAS, that certain oil and gas lease, dated the 1st day of July, 1954 from Enger K. Chrisman, a widow; Mamie (Mayme) L. Chrisman, a single woman; Harriet E. Chrisman, a single woman; John N. Chrisman and Nadine Chrisman, husband and wife; James W. Chrisman, Jr., a single man; Helen C. Sears and Frank E. Sears, wife and husband; Vego M. Chrisman Delle Chrisman, husband and wife; Gaius Shaver and Stella Shaver, husband and wife as Lessors, to Gulf Oil Corporation, as Lessee, recorded in Book 10 OG, Page 398 of the Public Records of Sublette County, Wyoming ~~is owned by~~ is partially owned by Chevron USA, Inc.

in so far as it covers the following described land in Sublette County, Wyoming, to-wit:

Township 29 North, Range 112 West, 6th P.M.
Section 18: Lots 1, 2, $E\frac{1}{2}NW\frac{1}{4}$

Township 29 North, Range 113 West, 6th P.M.
Section 11: $E\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$
Section 12: $NW\frac{1}{4}SW\frac{1}{4}$, $S\frac{1}{2}S\frac{1}{2}$
Section 13: $N\frac{1}{2}N\frac{1}{2}$, $SE\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$, $SE\frac{1}{4}SW\frac{1}{4}$
Section 14: $N\frac{1}{2}NE\frac{1}{4}$, $NE\frac{1}{4}NW\frac{1}{4}$
Section 24: $N\frac{1}{2}NE\frac{1}{4}$

219085

RECORDED Dec. 8 1987 9:40 AM
IN BOOK 80 O&G PAGE 601
FEES $6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

NOW, THEREFORE, in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, we the undersigned

and each of us, do hereby ratify, approve, confirm, and adopt the above described oil and gas lease in so far as it covers the above described lands, and do hereby ratify all royalty payments made under the terms and provisions of said lease, and as to said land, do hereby agree and declare that said lease shall continue in full force for as long hereafter as royalty payments are made under the terms of said lease with the respect to the above described land and are divided as follows:

| CREDIT TO | ADDRESS | ROYALTY INTEREST |
|---|---|---|
| Harriet E. Chrisman, single | PO Box 67, La Barge, WY 83123 | .19921875 of 18% of 8/8ths |
| Charles G. Chrisman, single | PO Box 67, La Barge, WY 83123 | .13671875 of 18% of 8/8ths |
| John N. Chrisman and Nadine Chrisman, husband and wife | PO Box 310, Big Piney, WY 83113 | .13671875 of 18% of 8/8ths |
| Helen C. Sears and Frank E. Sears, Jr. wife and husband | 1321 3rd W., Kemmerer, WY 83101 | .13671875 of 18% of 8/8ths |
| Frank W. Sears, a single man | PO Box 33, Opal, WY 83124 | .11718750 of 18% of 8/8ths |
| Stella C. Shaver and Gaius R. Shaver | 1332 Via del Oro, Fallbrook, CA 92028 | .13671875 of 18% of 8/8ths |
| Delle J. Chrisman, a widow | 1267 E 5425 S, Ogden, UT 84403 | .068359275 of 18% of 8/8ths |
| Penny D. Chrisman, single | 435 W 57th St., New York, NY 10019 | .0341796875 of 18% of 8/8th |
| Pamela C. Johnson and Lou Johnson, wife and husband | 1267 E 5425 S, Ogden, UT 84403 | .0341796875 of 18% of 8/8ths |

and that payment or tender, of the amount equal to the percentage set forth opposite his name, directly to his credit at the times and in the manner specified in said lease will, as to his interest in the said land, extend said lease and continue the same in full force and effect according to its terms. This instrument shall be binding upon, and effective as to the interest of, each of the above named persons who execute the same, without regard to execution or lack of execution by the others or by any other person whomever.

We, and each of us, hereby release and waive all rights of dower and homestead in the above identified land, and the provisions hereof shall be binding upon the heirs, legal representatives, sucessors, and assigns of each of us.

WITNESS our hands and seals this 30th day of November, 1987.

James C. Chrisman (SEAL)
Helen C. Sears (SEAL)
Frank E. Sears (SEAL)
John N. Chrisman (SEAL)
Nadine Chrisman (SEAL)
Frank W. Sears (SEAL)
(SEAL)

602

Printed by P&M Printing (303) 893-1681

STATE OF _____ }
COUNTY OF _____ } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL.

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

_____

and _____

_____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

INDIVIDUAL FORM OF ACKNOWLEDGEMENT

State of Wyoming
County of Fremont } ss.

On this 20 day of November in the year of 1987, before me, a Notary Public within and for said County and State, personally appeared as listed

_____

known to me to be the person ____ described in and who executed the within and foregoing instrument, and acknowledged to me that _____ executed the same as _____ voluntary act and deed.

_____
My Commission Expires: 1988

Mae Jean Julian
Notary Public
County of Lincoln
State of Wyoming
My Commission Expires: Oct. 1, 1988

_____
Mae Jean Julian
Notary Public

CORPORATE FORM OF ACKNOWLEDGEMENT

State of _____
County of _____ } ss.

On this _____ day of _____ A.D. 19____, before me, a notary public in and for said county and state, appeared _____ to me personally known, who being by me duly sworn, did say that he is the _____ of said _____ and that the seal affixed to said corporation, by authority of its board of directors, and said _____ acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it voluntarily executed.

_____
My Commission Expires:

_____
Notary Public

No. _____

FROM

TO

_____

Dated _____, 19____

Rec. Acres _____

_____ County, _____

Film _____

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

_____
County Clerk.

_____ Deputy.

When recorded return to

# STIPULATION OF INTEREST

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned are the owners of undivided interests as set forth below in oil, gas, and other minerals in and under the following described land, situate in Sublette County, State of Wyoming, to-wit:

Township 29 North, Range 112 West, 6th P.M.
Section 18: Lots 1, 2, $E\frac{1}{2}NW\frac{1}{4}$
Township 29 North, Range 113 West, 6th P.M.
Section 11: $E\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$ ; Section 12: $NW\frac{1}{4}SW\frac{1}{4}$, $S\frac{1}{2}S\frac{1}{2}$; Section 13: $N\frac{1}{2}N\frac{1}{2}$, $SE\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$, $SE\frac{1}{4}SW\frac{1}{4}$
Section 14: $N\frac{1}{2}NE\frac{1}{4}$, $NE\frac{1}{4}NW\frac{1}{4}$; Section 24: $N\frac{1}{2}NE\frac{1}{4}$

WHEREAS, the undersigned parties are desirous of determining said individual interest,

NOW, THEREFORE, in consideration of the sum of ONE DOLLAR ($1.00) and mutual advantages to be derived hereunder, the undersigned parties and each of them do hereby agree, declare and stipulate that their interest in and to the oil, gas, and other minerals in and under the above described land is as follows:

219086

| MINERAL OWNER | INTEREST |
|---|---|
| Stella C. Shaver and Gaius R. Shaver, wife and husband<br>1332 Via del Oro<br>FallBrook, California 92028 | .13671875 |

RECORDED Dec. 8 1987 9:40 AM
IN BOOK 80 O&G PAGE 603
FEES $4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

AND FURTHER, the undersigned parties, and each of them, do hereby grant, bargain, sell and convey to the other, whatever interest is necessary to effectuate the purpose of this instrument.

THIS Instrument is binding upon and is effective as to the interest of each party who executed same without regard as to whether it is executed by any other person whomsoever.

IN WITNESS WHEREOF, we sign this 18th day of November, 1987.

Stella C. Shaver
Stella C. Shaver SS# 558-80-0417

Gaius R. Shaver
Gaius R. Shaver SS#

STATE OF CALIFORNIA )
)
COUNTY OF San Diego )

OFFICIAL SEAL
KATHIE JOHNSON
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Expires July 29, 1988

On this 18th day of November, 1987, before me, personally appeared Stella C. Shaver and Gauis R. Shaver, wife and husband, to me know to be the person S described in and who executed the foregoing instrument, and acknowledged to me that They executed the same as free act and deed.

My Commission Expires:
7-29-88

Kathie Johnson
Notary Public

604

# RATIFICATION AND ROYALTY DIVISION ORDER

KNOW ALL MEN BY THESE PRESENTS:

That, WHEREAS, that certain oil and gas lease, dated the 1st day of July, 1954 from Enger K. Chrisman, a widow; Mamie (Mayme) L. Chrisman, a single woman; Harriet E. Chrisman, a single woman; John N. Chrisman and Nadine Chrisman, husband and wife; James W. Chrisman, Jr., a single man; Helen C. Sears and Frank E. Sears, wife and husband; Vego M. Chrisman Delle Chrisman, husband and wife; Gaius Shaver and Stella Shaver, husband and wife as Lessors, to Gulf Oil Corporation, as Lessee, recorded in Book 10 OG, Page 398 of the Public Records of Sublette County, Wyoming ~~is owned by~~ is partially owned by Chevron USA, Inc.

in so far as it covers the following described land in Sublette County, Wyoming to-wit:

Township 29 North, Range 112 West, 6th P.M.
Section 18: Lots 1, 2, $E\frac{1}{2}NW\frac{1}{4}$

Township 29 North, Range 113 West, 6th P.M.
Section 11: $E\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$
Section 12: $NW\frac{1}{4}SW\frac{1}{4}$, $S\frac{1}{2}S\frac{1}{2}$
Section 13: $N\frac{1}{2}N\frac{1}{2}$, $SE\frac{1}{4}NE\frac{1}{4}$, $SE\frac{1}{4}$, $SE\frac{1}{4}SW\frac{1}{4}$
Section 14: $N\frac{1}{2}NE\frac{1}{4}$, $NE\frac{1}{4}NW\frac{1}{4}$
Section 24: $N\frac{1}{2}NE\frac{1}{4}$

219087

RECORDED Dec. 8 19 87 9:40 AM
IN BOOK 80 OG PAGE 604
FEES $6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mari Riley

NOW, THEREFORE, in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, we the undersigned

and each of us, do hereby ratify, approve, confirm, and adopt the above described oil and gas lease in so far as it covers the above described lands, and do hereby ratify all royalty payments made under the terms and provisions of said lease, and as to said land, do hereby agree and declare that said lease shall continue in full force for as long hereafter as royalty payments are made under the terms of said lease with the respect to the above described land and are divided as follows:

| CREDIT TO | ADDRESS | ROYALTY INTEREST |
|---|---|---|
| Harriet E. Chrisman, single | PO Box 67, La Barge, WY 83123 | .19921875 of 18% of 8/8ths |
| Charles G. Chrisman, single | PO Box 67, La Barge, WY 83123 | .13671875 of 18% of 8/8ths |
| John N. Chrisman and Nadine Chrisman, husband and wife | PO Box 310, Big Piney, WY 83113 | .13671875 of 18% of 8/8ths |
| Helen C. Sears and Frank E. Sears, Jr. wife and husband | 1321 3rd W., Kemmerer, WY 83101 | .13671875 of 18% of 8/8ths |
| Frank W. Sears, a single man | PO Box 33, Opal, WY 83124 | .11718750 of 18% of 8/8ths |
| Stella C. Shaver and Gaius R. Shaver | 1332 Via del Oro, Fallbrook, CA 92028 | .13671875 of 18% of 8/8ths |
| Delle J. Chrisman, a widow | 1267 E 5425 S, Ogden, UT 84403 | .068359275 of 18% of 8/8ths |
| Penny D. Chrisman, single | 435 W 57th St., New York, NY 10019 | .0341796875 of 18% of 8/8th |
| Pamela C. Johnson and Lou Johnson, wife and husband | 1267 E 5425 S, Ogden, UT 84403 | .0341796875 of 18% of 8/8ths |

and that payment or tender, of the amount equal to the percentage set forth opposite his name, directly to his credit at the times and in the manner specified in said lease will, as to his interest in the said land, extend said lease and continue the same in full force and effect according to its terms. This instrument shall be binding upon, and effective as to the interest of, each of the above named persons who execute the same, without regard to execution or lack of execution by the others or by any other person whomever.

We, and each of us, hereby release and waive all rights of dower and homestead in the above identified land, and the provisions hereof shall be binding upon the heirs, legal representatives, sucessors, and assigns of each of us.

WITNESS our hands and seals this 18th day of November, 19 87.

X Stella C Shaver Nov 18, 1987 (SEAL)

X Gaius R Shaver Nov 18, 1987 (SEAL)

(SEAL)

(SEAL)

(Individual)

STATE OF CALIFORNIA
COUNTY OF San Diego } ss.

**GLENDALE FEDERAL**
SAVINGS AND LOAN ASSOCIATION

On November 18, 1987 before me, the undersigned, a Notary Public in and for said State, personally appeared Sheila C. Shaver and Wayne R. Shaver husband and wife,

personally known to me or proved to me on the basis of satisfactory evidence to be the person s whose name are subscribed to this instrument and acknowledged that they executed it.

OFFICIAL SEAL
KATHIE JOHNSON
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Expires July 29, 1988

WITNESS my hand and official seal.

Signature Kathie Johnson

GFS FORM 1251 (L 6/82)

(This area for official notarial seal)

and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

---

INDIVIDUAL FORM OF ACKNOWLEDGEMENT

State of _____
County of _____ ss.

On this _____ day of _____ in the year of 19___, before me, a Notary Public within and for said County and State, personally appeared _____

known to me to be the person ____ described in and who executed the within and foregoing instrument, and acknowledged to me that _____ executed the same as _____ voluntary act and deed.

_____
My Commission Expires:

_____
Notary Public

CORPORATE FORM OF ACKNOWLEDGEMENT

State of _____
County of _____ ss.

On this _____ day of _____ A.D. 19___, before me, a notary public in and for said county and state, appeared _____ to me personally known, who being by me duly sworn, did say that he is the _____ of said _____ and that the seal affixed to said corporation, by authority of its board of directors, and said _____ acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it voluntarily executed.

_____
My Commission Expires:

_____
Notary Public

No. _____

FROM _____

TO _____

_____

_____

Parcel _____, 19__

No. Acres _____

_____ County,

_____ m.

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

_____
_____ County Clerk.

By _____ Deputy.

When recorded return to

605

# RATIFICATION AND RENTAL DIVISION ORDER

KNOW ALL MEN BY THESE PRESENTS:

That, WHEREAS, that certain oil and gas lease, dated August 22, 1986, from Marincic Land and Livestock Company, a Wyoming corporation; and Michael Marincic, and Dorothy Marincic, individuals, as Lessors, to Gas & Oil Management Inc. of 7955 E. Arapahoe Court, Englewood, Colorado 80112, as Lessee, recorded in Book 79, Page 77, of the Oil and Gas Records of Sublette County, Wyoming, covers the following described land, together with additional land, in Sublette County, Wyoming, to-wit:

215167

RECORDED Dec. 9 1987 10:00 AM
IN BOOK 80 PAGE 606
FEES 4.00 Mary Lou Ford COUNTY CLERK
SUBLETTE COUNTY CLERK
By Mary Lou Ford

TOWNSHIP 30 North, Range 110 West of the Sixth Principal Meridian

Section 3: Lots 2,8,9, SW1/4NE1/4, SE1/4NW1/4, NE1/4SW1/4, W1/2SE1/4
Section 4: Lots 1,2,5,6,7, SW1/4NE1/4
Section 9: Lots 1,4,6,7, W1/2SE1/4
Section 10: Lots 1,2,4,5, NW1/4NE1/4, S1/2NE1/4, E1/2W1/2, SE1/4
Section 15: NW1/4NE1/4, NE1/4NW1/4

TOWNSHIP 31 North, Range 110 West of the Sixth Principal Meridian

Section 33: SE1/4
Section 34: Lots 4,5,6,7, W1/2SE1/4

Including all accretion and riparian rights and also all rights to the bed of the Green River, on all of the above lands.

NOW, THEREFORE, in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, I, HARVEY DEAN LUCE, a single man, of Big Piney, Wyoming, do hereby ratify, approve, confirm, and adopt the above described oil and gas lease in so far as it covers the above described land, and do hereby lease, demise and let said land unto Gas & Oil Management Inc. subject to and under all of the terms and provisions of said lease, and as to said land, do hereby agree and declare that said lease is now in full force and effect; that payment has been duly made of the entire bonus consideration and agree that any delay rentals which may be paid to me under the terms of said lease with respect to the above described land may be tendered for my credit in First Wyoming Bank of Big Piney, Wyoming 83113, or its successors, as my agent, the sum of Eight Hundred Sixty Four ($864.00) Dollars and that payment or tender, of the amount set forth, directly or to my credit in the depository bank at the times and in the manner specified in said lease will, as to my interest in the said land, extend said lease and continue the same in full force and effect according to its terms.

The provisions hereof shall be binding upon my heirs, legal representatives, successors, and assigns.

WITNESS my hand and seal this 8th day of May, 1987.

Harvey Dean Luce
HARVEY DEAN LUCE

STATE OF WYOMING )
) ss.
COUNTY OF SUBLETTE )

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 8th day of May, 1987, personally appeared Harvey Dean Luce, a single man, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

KATHLEEN A. KING NOTARY PUBLIC

Kathleen A. King
Notary Public

My Commission Expires: January 10, 1991

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 1987, by and between

Ronald Ray Randall and Debra Kay Randall

whose post office address is 13114 Indian Creek Rd.Houston,TX 77079, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E.Arapahoe Crt.Englewood,Co 80112 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette, State of Wyoming, described as follows, to-wit:

Township 33 North, Range 110 West, 6th P.M.
Section 7: SE¼NE¼

and containing 40 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ One (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Ronald Ray Randall

Ronald Ray Randall

Social Sec. No.
463-64-9456

Debra Kay Randall

Debra Kay Randall

Social Sec. No.
458-90-5881

Printed by P&M Printing (303) 423-4691

STATE OF Texas }
COUNTY OF Harris } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st day of August, 1987, personally appeared Ronald Ray Randall

and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 11-9-89

Nelda Glass
Notary Public.

NELDA GLASS
Notary Public for the State of Texas
My commisson Expires November 9, 1989

Address: 1900 Black Ste. E. Houston Tx 77080

---

STATE OF Texas }
COUNTY OF Bexar } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 21st day of September, 1987, personally appeared Debra Kay Randall

and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 10-17-89

Danise D. Williamson
Notary Public.

DANISE D. WILLIAMSON
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES 10-17-89

Address: _____

---

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

(SEAL)

My Commission expires _____

Address: _____

---

No. 21313

FROM

TO

_____ Acres _____

_____ County, _____

This instrument was filed for record on the 9 day of December, 1987, at 10:30 o'clock A M., and duly recorded in Volume 80 Page 607 of the records of this office.

Mary L Lankford
County Clerk.

By Diane Riley
Deputy.

When recorded return to

Fees $4.00

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 27th day of August, 19 87, by and between
Donald L. Gragert and Karen G. Gragert, his wife

whose post office address is P.O. Box 67, Big Piney, Wy 83113, hereinafter called Lessor (whether one or more) and
GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, Co 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

Township 30 North, Range 110 West, 6th P.M.

Section 10 & 15: A tract of land located in the SE¼SE¼ of Section 10 & the NE¼NE¼ of Section 15 containing 10 acres more or less being that same tract described in that certain Warranty Deed dated August 1, 1978 and recorded in Book 20 of Deeds, Page 281 in the County Clerk's Office in Sublette County, Wyoming

and containing 10 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of one(1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Donald L. Gragert
Donald L. Gragert

Karen G. Gragert
Karen G. Gragert

Printed by P&M Printing (303) 423-4691

STATE OF ~~Wyoming~~ OREGON }
COUNTY OF Tillamook } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 6th day of October, 19 87, personally appeared Donald L. Gragert

and Karen G. Gragert, his wife

, to me known to be the identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 4-13 91

Notary Public.

Address: P.O. Box 208, Rockaway, Or. 97136

My commission expires 4-13-91

STATE OF }
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this_____ day of_____, 19____, personally appeared_____

and_____

_____, to me known to be the identical person_____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that_____ duly executed the same as_____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires_____

Notary Public.

Address: _____

STATE OF }
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this_____ day of_____, A.D. 19____, before me personally appeared_____, to me personally known, who, being by me duly sworn, did say that he is the_____ of_____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this_____ day of_____, A.D. 19____.

Notary Public.

(SEAL)

Address: _____

My Commission expires_____

No. 21512

FROM

TO

Dated_____, 19____

No. Acres_____ County,_____

Term_____

This instrument was filed for record on the 9 day of December, 1987, at 10:40 o'clock A M., and duly recorded in Volume 80 of G Page 609

of the records of this office.

Mary L Lankford County Clerk.

By Mary Riley Deputy.

When recorded return to

Fees, 6.00

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 27th day of August, 1987, by and between Gerald Joseph Corey and Rosemary Moran Corey, Trustees of the Gerald Joseph Corey Trust

whose post office address is 724 Ramona Ave. Salt Lake City, UT 84105, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

Township 30 North, Range 110 West, 6th P.M.
Section 15: A tract of land located in the SE¼NE¼ & Lot 7(NE¼SE¼) being that certain tract of land described in Agreement for Warranty Deed dated October 22, 1983 and recorded in Book 43, Misc. at Page 255 of the County Clerk's Office of Sublette County, Wyoming.

and containing 10 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~One~~ (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Gerald Joseph Corey

Gerald Joseph Corey, Trustee of the Gerald Joseph Corey Trust

Rosemary Moran Corey

Rosemary Moran Corey, Trustee of the Gerald Joseph Corey Trust

611

Printed by P&M Printing (303) 423-4691

STATE OF Utah
COUNTY OF Salt Lake } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 5th day of October, 19 87, personally appeared Gerald Joseph Corey and Rosemary Moran Corey, trustees of the Gerald Joseph Corey Trust

and

, to me known to be the identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires May 29, 1989

Colleen White
Notary Public.

Address: Salt Lake City, Utah

---

STATE OF
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of , 19 , personally appeared

and

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

---

STATE OF
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of , A.D. 19 , before me personally appeared , to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of , A.D. 19 .

Notary Public.

(SEAL)

My Commission expires

Address:

---

No. 219113

FROM

TO

Dated , 19

No. Acres

County,

Term

This instrument was filed for record on the 9 day of December 19 87, at 10:40 o'clock A M., and duly recorded in Volume 80 of G Page 611 of the records of this office.

Mary L. Lankford
County Clerk.

By Marie Ridley
Deputy.

When recorded return to

Fees: 6.00

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 19th day of August, 1987, by and between

Clare R. Axtell, a widow

whose post office address is 1001 Arapahoe, Thermopolis, WY 82443, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E. Arapahoe, Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO

and containing 75.07 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner. Lessee and its assigns shall notify Lessor of all assignments

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Clare R. Axtell

Clare R. Axtell

Social Sec. No.

Printed by P&M Printing (303) 423-4691

STATE OF Wyoming
COUNTY OF ~~Sublette~~ Hot Springs } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 4th day of ~~August~~ September, 19 87, personally appeared Clare R. Axtell, a widow

and

VOID, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires March 6, 1990

K. C. Yonkee
Notary Public.

Address: 1094 Arapahoe St Thermopolis, Wyo. 82443

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STATE OF _____
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

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STATE OF _____
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

(SEAL)

Address: _____

My Commission expires _____

---

No. 219114

FROM

TO

Dated _____, 19____

No. Acres _____

_____ County,

Term _____

This instrument was filed for record on the 9 day of December 1987, at 10:40 o'clock A M., and duly recoroed in Volume 80 0:G Page 613 of the records of this office.

Mary L Lankford
County Clerk.

By Mare Ray
Deputy.

When recorded return to

Fees: $8.00

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 19, 1987 BY AND BETWEEN Clare R. AXTELL, A WIDOW, LESSOR AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 109 West, 6th P.M.
Section 20: SE¼SE¼
Section 29: Lot 1(35.07)

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Clare R. Axtell
Clare R. Axtell

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of August, 1987, by and between Robert G. Linn and Helena F. Linn, his wife

whose post office address is P.O.Box 308, Big Piney,WY 83113, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt.Englewood,Co.80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

Township 30 North, Range 110 West,6th P.M.

Section 15: A tract of land containing 69.493 acres more or less described in Book 15 of Deeds,Page 588 EXCEPT 19.667 acres described in Book 18 of Deeds,Pg.385,EXCEPT 10 acres described in Book 20 of Deeds,Pg.281 & EXCEPT 17.67 acres described in Book 23 of Deeds,Pg.17 in Clerk's Office Sublette County,Wyoming.(Pt. of NE¼)

Section 10: A tract of land in the S½SE¼ containing 28.034 acres more or less being that same land as described in Book 15 of Deeds, Pg.588 in the Clerk's Office of Sublette County, Wyoming.

and containing 50.19 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of One (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Robert G. Linn
Robert G. Linn

Helena F. Linn
Helena F. Linn

Printed by P&M Printing (303) 423-4691

STATE OF Wyoming
COUNTY OF Sublette } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 2nd day of September, 19 87, personally appeared Robert G. Linn and Helena F. Linn, his wife, to me known to be the identical person s described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Oct 1, 1988

Helen Cottonwood
Notary Public.

Address: Big Piney, Wyo

STATE OF _____
COUNTY OF _____ } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

STATE OF _____
COUNTY OF _____ } ss.

ACKNOWLEDGMENT (For use by Corporation)

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

Address: _____

(SEAL)

My Commission expires _____

No. _____
FROM _____
TO _____
Dated _____
No. Acres _____
County, _____
Term _____

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

_____ County Clerk.

By _____ Deputy.

When recorded return to _____

617

618

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 19 87, by and between

Theodore R. Murphy, a married man dealing in his sole & separate property

whose post office address is 503 S. ~~Kent~~ Tenth Ave., Bozeman, Montana 59715, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette

State of Wyoming, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO

and containing 75.07 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ One (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Theodore R. Murphy

Theodore R. Murphy

Social Sec. No. 520-05-5906

Printed by P&M Printing (303) 423-4691

STATE OF Montana }
COUNTY OF GALLATIN } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 26th day of August, 19 87, personally appeared Theodore R. Murphy, a married man dealing in his sole & separate property

and

_____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____ Beverly [illegible]
Notary Public for the State of Montana
Residing at Bozeman, Montana
My Commission expires November 15, 1987
Notary Public.

Address: PO Box 730
BOZEMAN MT 59715

STATE OF _____ }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Notary Public.

Address: _____

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

(SEAL)

My Commission expires _____

Address: _____

No. _____

FROM

TO

_____, 19____

Dated _____

No. Acres _____

_____ County.

Term _____

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

_____ County Clerk.

By _____ Deputy.

When recorded return to

# EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN THEODORE R. MURPHY, A MARRIED MAN DEALING IN HIS SOLE & SEPARATE PROPERTY, LESSOR AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 109 West,6th P.M.
Section 20: SE¼SE¼
Section 29: Lot 1

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Theodore R. Murphy

218115

RECORDED Dec. 9 1987 11:00 A.M.
IN BOOK 80 O&G PAGE 616
FEES $12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mari Riley

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 19 87, by and between

Carmen Delceg, heir of Caroline Ball Arthur, Deceased & Ronald Delceg, her husband

whose post office address is 1408 Iron, Bellingham, WA 98225, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt, Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ One(1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Carmen Delceg
Carmen Delceg

Social Sec. No. 545-30-7798

Ronald Delceg
Ronald Delceg

Printed by P&M Printing (303) 423-4691

STATE OF Washington }
COUNTY OF Whatcom } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 28 day of August, 19 87, personally appeared Carmen Delceg, heir of Caroline Ball Arthur, Deceased

and Ronald Delceg, her husband

, to me known to be the identical person s , described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Aug 1 1991

Notary Public.

Address: 505 Dupont - Bellingham Wa

STATE OF }
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of , 19 , personally appeared

and

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF }
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of , A.D. 19 , before me personally appeared , to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of , A.D. 19 .

Notary Public.

(SEAL)

Address:

My Commission expires

21547

No.

FROM

TO

Dated , 19

No. Acres

County,

Term

This instrument was filed for record on the 9 day of December 1987, at 11:20 o'clock A M., and duly recorded in Volume 80 of G Page 621 of the records of this office.

Mary L. Lockhart County Clerk.

By Irene Lilly Deputy.

When recorded return to

Fees: 8.00

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN CARMEN DELCEG, HEIR OF CAROLINE BALL ARTHUR, DECEASED AND RONALD DELCEG, HER HUSBAND, LESSORS AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: N½N½

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Carmen Delceg
Carmen Delceg

Ronald Delceg
Ronald Delceg

624

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 1987, by and between Delano Arthur, a single man

whose post office address is 29401 Pacific Hwy 5, Apt. D-306, Federal Way, WA 98003, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, Co 80112 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

21,318

SEE EXHIBIT "A" ATTACHED HERETO

RECORDED Dec. 9 1987 11:30 AM
IN BOOK 80 O&G PAGE 624
FEES 8.00 Mary C. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mare Riley

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ One (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Delano Arthur

Social Sec. No. 575-36-[illegible]6

Printed by P&M Printing (303) 423-4691

STATE OF Washington
COUNTY OF King } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 1st September
day of September, 19 87, personally appeared Delano Arthur, a single man

and

, to me known to be the identical person as described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 02/02/91

Lynn A Clark
Notary Public.

Address: Federal Way

STATE OF
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of , 19 , personally appeared

and

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of , A.D. 19 , before me personally appeared , to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of , A.D. 19 .

Notary Public.

(SEAL)

My Commission expires

Address:

No.
FROM
TO
Dated
No. Acres
County,
Term

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

County Clerk.

By Deputy.

When recorded return to

625

626

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN DELANO ARTHUR, A SINGLE MAN, LESSOR AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: N½N½

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

X _____
Delano Arthur

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 20th day of August, 1987, by and between
Daniel M. Ball and Carolyn C. Ball, his wife

whose post office address is 848 W. Shannon, Chandler, AZ 85224, hereinafter called Lessor (whether one or more) and
GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt, Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

218123

RECORDED Dec. 9 1987 12:50 PM
IN BOOK 80 O & G PAGE 627
FEES 8.00 Mary L Lunsford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mary Riley

SEE EXHIBIT "A" ATTACHED HERETO

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Daniel M. Ball

Carolyn C. Ball

Carolyn C. Ball

SS516-26-1681

Printed by P&M Printing (303) 423-4691

STATE OF Arizona }
COUNTY OF Maricopa } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25 day of August, 19 87, personally appeared Daniel M. Ball and Carolyn C. Ball, his wife, to me known to be the identical person s described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Oct 19

OFFICIAL SEAL
CATHARINE A. COLCOHRN
NOTARY PUBLIC STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires Oct. 19, 1988

Catharine A Colcohrn
Notary Public.

Address: 961 N Ray Rd # Chandler Az.

---

STATE OF _____ }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person_____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that_____duly executed the same as_____free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires_____

_____
Notary Public.

Address: _____

---

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this_____day of_____, A.D. 19____, before me personally appeared_____, to me personally known, who, being by me duly sworn, did say that he is the_____of_____ _____and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this_____day of_____, A.D. 19____.

_____
Notary Public.

(SEAL)

Address: _____

My Commission expires_____

---

No._____

FROM

TO

Dated_____, 19____

No. Acres_____

_____County,_____

Term_____

This instrument was filed for record on the_____ day of_____19____, at _____o'clock_____M., and duly recorded in Volume_____ Page_____ _____of the records of this office.

_____
County Clerk.

By_____ Deputy.

When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 20, 1987 BY AND BETWEEN DANIEL M. BALL AND CAROLYN C. BALL, LESSORS AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: N½N½

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Daniel M. Ball

Carolyn C. Ball

630

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 19th day of August, 19 87, by and between
John W. Ball and Jean M. Ball, his wife

whose post office address is 561 Vintage Dr.Elkton,OR97436, hereinafter called Lessor (whether one or more) and
GILMAN A. HILL whose post office address is 7955 E.Arapahoe Crt.Englewood,Co.80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette

State of Wyoming, described as follows, to-wit:

218124

RECORDED Dec. 9 1987 12:50 P M
IN BOOK 80 O&G PAGE 630
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Marie Riley

SEE EXHIBIT "A" ATTACHED HERETO

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of one(1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described ds or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

John W. Ball
John W. Ball

SS#518-09-6693

Jean M. Ball
Jean M. Ball

[redacted] [redacted] [redacted]

Printed by P&M Printing (303) 423-4691

STATE OF Oregon }
COUNTY OF Douglas } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27th day of August, 19 87, personally appeared John W. Ball and Jean M. Ball, his wife, to me known to be the identical person s described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Feb 6, 1988

Linda Dee Higgins
Notary Public.

LINDA DEE HIGGINS
Notary Public-Oregon
My Commission Expires Feb 6, 1988

Address: Elkton, Oregon

STATE OF _____ }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

(SEAL)

Address: _____

My Commission expires _____

No. _____

FROM

TO

Dated _____

No. Acres _____ County, _____

Term _____

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

_____ County Clerk.

By _____ Deputy.

When recorded return to

631

# EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 19, 1987 BY AND BETWEEN JOHN W. BALL AND JEAN M. BALL, HIS WIFE, LESSORS AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: N½N½

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

John W. Ball
John W. Ball

Jean M. Ball
Jean M. Ball

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 18th day of August, 19 87, by and between Deborah Carrick, formerly Deborah Sanford, and Benjamin F. Carrick, her husband

whose post office address is 1633 W. 41st St.Erie, PA 16509, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt.Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

219125

SEE EXHIBIT "A" ATTACHED HERETO

RECORDED Dec. 9 19 87 12:50 P
IN BOOK 80 O&G PAGE 633
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mae Riley

and containing 2,196.47 acres, more or less.

one (1)

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Deborah Carrick

Deborah Carrick

Social Sec. No. 166-46-6763

Benjamin F. Carrick

Benjamin F. Carrick

166-46-8288

Printed by P&M Printing (303) 423-4691

STATE OF Pennsylvania
COUNTY OF ERIE } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this AUG 26 1987 day of August, 19 87, personally appeared Deborah Carrick, formerly Deborah Sanford and Benjamin F. Carrick, her husband, to me known to be the identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Susan E. Lapp, Notary Public
Erie, Erie County, Pennsylvania
My Commission Expires Oct. 12, 1988

Susan E. Lapp
Notary Public.

Address: 1224 W. 38th St ERIE PA 16508

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STATE OF _____
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Notary Public.

Address: _____

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STATE OF _____
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

Notary Public.

(SEAL)

Address: _____

My Commission expires _____

---

No. _____

FROM

TO

Dated _____, 19____

No. Acres _____

_____ County, _____

Term _____

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

_____
County Clerk.

By _____ Deputy.

When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 18, 1987 BY AND BETWEEN DEBORAH CARRICK, FORMERLY DEBORAH SANDFORD AND BENJAMIN F. CARRICK, HER HUSBAND LESSORS AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 111 West, 6th P.M.
Section 1 : Lots 3,4, S½NW¼, SW¼ less 1 acre to School District #18
Section 2 : Lots 1,2,3,4, SE¼NW¼, S½NE¼, SE¼, E½SW¼
Section 11: N½NE¼
Section 12: N½NW¼ less 1 acre to School District #18
Township 32 North, Range 111 West, 6th P.M.
Section 26: SW¼SW¼
Section 27: S½NE¼, SE¼
Section 34: NE¼
Section 35: SE¼NE¼, W½NE¼, NW¼, S½
Township 33 North, Range 111 West,6th P.M.
Section 8: NE¼NW¼, N½NE¼, NW¼NW¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Deborah Carrick
Deborah Carrick

Benjamin F Carrick
Benjamin F. Carrick

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 18th day of August, 19 87, by and between
Thomas Sanford and Sharon Sanford, his wife

whose post office address is 3205 N. Knoll Terrace, Wauwatosa, WI53222 hereinafter called Lessor (whether one or more) and
GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, Co80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

RECORDED Dec. 9 1987 12:50 PM
IN BOOK 80 O&G PAGE 636
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Marie Riley

21.8126

SEE EXHIBIT "A" ATTACHED HERETO

and containing 2,196.47 acres, more or less.

one(1)

1. It is agreed that this lease shall remain in force for a term of ~~XXX~~ years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Thomas Sanford
Thomas Sanford
538-36-6046
Social Sec. No.

Sharon Sanford
Sharon Sanford

Printed by P&M Printing (303) 423-4691

STATE OF Wisconsin
COUNTY OF Waukesha } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25th day of August, 19 87, personally appeared Thomas Sanford and Sharon Sanford, His wife, to me known to be the identical person s described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as the free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 4-28-91

Jean M. Klawitter
Notary Public.

Address: 16001 W. Cleveland Ave.
New Berlin WI 53151

JEAN M. KLAWITTER NOTARY PUBLIC STATE OF WISCONSIN

STATE OF _____ } ss.
COUNTY OF _____

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

STATE OF _____ } ss.
COUNTY OF _____

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

Address: _____

(SEAL)

My Commission expires _____

No. _____

FROM

TO

_____, 19____

Dated _____

No. Acres _____

_____ County, _____

Term _____

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

_____ County Clerk.

_____ Deputy.

When recorded return to

# EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 18, 1987 BY AND BETWEEN THOMAS SANFORD AND SHARON SANFORD, HIS WIFE, LESSORS AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 111 West, 6th P.M.
Section 1 : Lots 3,4, S½NW¼, SW¼ less 1 acre to School District #18
Section 2 : Lots 1,2,3,4, SE¼NW¼, S½NE¼, SE¼, E½SW¼
Section 11: N½NE¼
Section 12: N½NW¼ less 1 acre to School District #18
Township 32 North, Range 111 West, 6th P.M.
Section 26: SW¼SW¼
Section 27: S½NE¼, SE¼
Section 34: NE¼
Section 35: SE¼NE¼, W½NE¼, NW¼, S½
Township 33 North, Range 111 West, 6th P.M.
Section 8: NE¼NW¼, N½NE¼, NW¼NW¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Thomas Sanford

Thomas Sanford

Sharon Sanford

Sharon Sanford

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 19th day of August, 19 87, by and between

John D. Newcomb, a single man

whose post office address is 2915 Baily Road, Eugene, OR 97405, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, CO 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

RECORDED Dec. 9 1987 12:30 PM
IN BOOK 80 O&G PAGE 639
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Marie Riley

218127

SEE EXHIBIT "A" ATTACHED HERETO

and containing 2,196.47 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the lease-hold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or re-working operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

John D. Newcomb

John D. Newcomb

Social Sec. No. 577-57-6826

Printed by P&M Printing (303) 423-4691

STATE OF Oregon
COUNTY OF Lane } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 28th day of August, 19 87, personally appeared John D. Newcomb, a single man

and

, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 04-27-90

Notary Public

Address: 1665 W. 18th Eugene, OR 97402

NOTARY PUBLIC STATE OF OREGON

STATE OF } ss.
COUNTY OF }

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of, 19, personally appeared

and

, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF } ss.
COUNTY OF }

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of, A.D. 19, before me personally appeared, to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of, A.D. 19.

Notary Public.

(SEAL)

My Commission expires

Address:

No.

FROM

TO

Dated, 19

No. Acres

County,

Term

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

County Clerk.

By Deputy.

When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 19, 1987 BY AND BETWEEN JOHN D. NEWCOMB, A SINGLE MAN, LESSOR AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 111 West, 6th P.M.
Section 1 : Lots 3,4, S½NW¼, SW¼ less 1 acre to School District #18
Section 2 : Lots 1,2,3,4, SE¼NW¼, S½NE¼, SE¼, E½SW¼
Section 11: N½NE¼
Section 12: N½NW¼ less 1 acre to School District #18
Township 32 North, Range 111 West, 6th P.M.
Section 26: SW¼SW¼
Section 27: S½NE¼, SE¼
Section 34: NE¼
Section 35: SE¼NE¼, W½NE¼, NW¼, S½
Township 33 North, Range 111 West, 6th P.M.
Section 8 : NE¼NW¼, N½NE¼, NW¼NW¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

John D. Newcomb
John D. Newcomb

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 18th day of August, 19 87, by and between THE FEDERAL LAND BANK OF OMAHA

whose post office address is 206 S. 19th Street, Omaha, NE 68102, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt. Englewood, CO 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

RECORDED Dec. 9 1987 12:50 PM
IN BOOK 80 O & G PAGE 642
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK

213128

SEE EXHIBIT "A" ATTACHED HERETO

By: Marc Riley

and containing 480 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor" as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

THE FEDERAL LAND BANK OF OMAHA

By: _____
Sr. Vice President

Attest: Charles M. Caldwell
Charles M. Caldwell, Asst. Secretary

THE FEDERAL LAND BANK OF OMAHA · IOWA-NEBRASKA · SOUTH DAKOTA-WYOMING · CHARTERED CORPORATE SEAL MARCH 8, 1917

[redacted] [redacted] [redacted]

Printed by P&M Printing (303) 423-4691

STATE OF_____
COUNTY OF_____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this_____ day of_____, 19____, personally appeared_____ and_____, to me known to be the identical person_____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that_____ duly executed the same as_____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires_____

_____
Notary Public.

Address: _____

---

STATE OF_____
COUNTY OF_____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this_____ day of_____, 19____, personally appeared_____ and_____, to me known to be the identical person_____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that_____ duly executed the same as_____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires_____

_____
Notary Public.

Address: _____

---

STATE OF NEBRASKA
COUNTY OF DOUGLAS } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this 24th day of August, A.D. 19 87, before me personally appeared Frank J. Hutfless, to me personally known, who, being by me duly sworn, did say that he is the Sr. Vice President of The Federal Land Bank of Omaha and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Frank J. Hutfless acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this 24th day of August, A.D. 19 87.

GENERAL NOTARY - State of Nebraska
J. L. NEMITZ
My Comm. Exp. May 4, 1988

(SEAL)

My Commission expires_____

J. L. Nemitz,
Notary Public.

Address: 206 S. 19th Street
Omaha, NE 68102

---

No._____

FROM

TO

Dated_____, 19____

No. Acres_____

_____County.

Term_____

This instrument was filed for record on the_____ day of_____, 19____, at _____o'clock_____M., and duly recorded in Volume_____ Page_____ of the records of this office.

_____ County Clerk.

By_____ Deputy.

When recorded return to

# EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 18, 1987 BY AND BETWEEN THE FEDERAL LAND BANK OF WICHITA, LESSOR AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 111 West, 6th P.M.
Section 11: SW¼
Section 14: N½NW¼, SW¼NW¼
Section 15: NW¼, SE¼NE¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

THE FEDERAL LAND BANK OF OMAHA · CHARTERED CORPORATE SEAL · MARCH 8, 1917 · IOWA-NEBRASKA-SOUTH DAKOTA-WYOMING

THE FEDERAL LAND BANK OF OMAHA

BY: _____
Frank J. Hutfless, Sr. Vice President

Attest: _____
Charles M. Caldwell, Asst. Secretary

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 1987, by and between James W. Jenkins and Myrtle H. Jenkins, his wife

whose post office address is RT 1, Box 33, Crawford, Co 81415, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt, Englewood, Co. 80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

218130

SEE EXHIBIT "A" ATTACHED HERETO

RECORDED Dec. 9 1987 1:20 P.
IN BOOK 80 O&G PAGE 645
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mare Riley

and containing 120 acres, more or less.

One (1)

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described land or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

James W. Jenkins

James W. Jenkins

Social Sec. No. 544 22 3185

Myrtle H. Jenkins

Myrtle H. Jenkins

356 18 2518

Printed by P&M Printing (303) 423-4691

STATE OF Colorado }
COUNTY OF Delta } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT--INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25th day of August, 19 87, personally appeared James W. Jenkins

and Myrtle H. Jenkins, his wife

, to me known to be the identical person s, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 8/24/1989

Notary Public.

Address: 301 East Bridge St. Hotchkiss, Co

STATE OF _____ }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____

and _____

, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Notary Public.

Address: _____

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

Notary Public.

(SEAL)

Address: _____

My Commission expires _____

No. _____

FROM

TO

Dated _____, 19____

No. Acres _____

_____ County, _____

Term _____

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

_____
County Clerk.

By _____ Deputy.

When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN JAMES W. JENKINS AND MYRTLE H. JENKINS, HIS WIFE, LESSORS AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: NE¼NW¼, N½NE¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

James W. Jenkins

Myrtle H. Jenkins

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 19 87, by and between Robert B. Murphy and Maxine Murphy, his wife

whose post office address is P.O.Box 97, Thermopolis, WY 82443, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E.Arapahoe Crt.Englewood,Co.80112 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

218132

SEE EXHIBIT "A" ATTACHED HERETO

RECORDED Dec. 9 1987 1:30 P
IN BOOK 80 O & G PAGE 648
FEES 8.00 Mary L. Lunsford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mona Riley

and containing 75.07 acres, more or less.

One (1)

1. It is agreed that this lease shall remain in force for a term of ~~10~~ years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Robert B. Murphy

Robert B. Murphy

Maxine Murphy

Maxine Murphy

Printed by P&M Printing (303) 423-4691

STATE OF Wyoming }
COUNTY OF Hot Springs } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25th day of August, 19 87, personally appeared Robert B. Murphy and Maxine Murphy, his wife, to me known to be the identical person s described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 12-11-90

DAVID J. STONE NOTARY PUBLIC STATE OF WYOMING COUNTY OF HOT SPRINGS MY COMMISSION EXPIRES DEC. 11, 1990

David J. Stone
Notary Public.

Address: 333 Arapahoe
Thermopolis Wy 82443

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STATE OF _____ }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

---

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

Address: _____

(SEAL)

My Commission expires _____

No. _____
FROM
TO
Dated _____
No. Acres _____
County _____
Term _____

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

_____ County Clerk.

By _____ Deputy.

When recorded return to

# EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN ROBERT B. MURPHY AND MAXINE MURPHY, HIS WIFE, LESSORS AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 109 West, 6th P.M.
Section 20: SE¼SE¼
Section 29: Lot 1

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Robert B. Murphy
Robert B. Murphy

Maxine Murphy
Maxine Murphy

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 19 87, by and between

Mary E. Fahlman, a married woman dealing in her sole & separate property

whose post office address is 19816 Daton Ave.North,Seattle,WA98133, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E. Araphoe Crt.Englewood Co.80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & more DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette

State of Wyoming, described as follows, to-wit:

218183

SEE EXHIBIT "A" ATTACHED HERETO

RECORDED Dec. 9 1987 2:00 P
IN BOOK 80 O&G PAGE 651
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Marie Riley

and containing 75.07 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ One (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the lease-hold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or re-working operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

X Mary E. Fahlman
Mary E. Fahlman

Social Sec. No. 520-16-9637

Printed by P&M Printing (303) 423-4691

STATE OF Washington
COUNTY OF King } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT--INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st day of August, 19 87, personally appeared Mary E. Fahlman, a married woman dealing in her sole & separate property

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that ~~he~~ she duly executed the same as ~~his~~ her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Oct 15, 1990

Notary Public.

Address: 1109 N 205th Seattle

STATE OF
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of , 19 , personally appeared

and

, to me known to be the identical person , described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of , A.D. 19 , before me personally appeared , to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of , A.D. 19 .

Notary Public.

(SEAL)

Address:

My Commission expires

No.

FROM

TO

Dated , 19

No. Acres

County,

Term

This instrument was filed for record on the

day of 19 , at

o'clock M., and duly recorded in

Volume Page

of the records of this office.

County Clerk.

By Deputy.

When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN MARY E. FAHLMAN, A MARRIED WOMAN DEALING IN HER SOLE & SEPARATE PROPERTY, LESSOR AND AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 109 West, 6th P.M.
Section 20: SE¼SE¼
Section 29: Lot 1

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

Mary E. Fahlman
Mary E. Fahlman

654

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of August, 19 87, by and between

Delbert J. Arthur, a widower

whose post office address is 2514 Huron St.Bellingham,WA 98226, hereinafter called Lessor (whether one or more) and

GILMAN A. HILL whose post office address is 7955 E. Arapahoe Crt.Englewood,Co.80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

21,514

SEE EXHIBIT "A" ATTACHED HERETO

RECORDED Dec. 9 1987 2:00 PM
IN BOOK 80 O & G PAGE 654
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Marie Riley

and containing 160 acres, more or less. One (1)

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Delbert J. Arthur

Delbert J. Arthur

Social Sec. No. [redacted]

568 16 [redacted]

Printed by P&M Printing (303) 423-4691

STATE OF Washington
COUNTY OF Whatcom } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 28
day of Aug., 19 87, personally appeared Delbert J. Arthur, a widower

and

, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Aug. 1, 1991

Notary Public.

Address: 805 Dupont - Bellingham Wa

STATE OF
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of , 19 , personally appeared

and

, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of , A.D. 19 , before me personally appeared , to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of , A.D. 19 .

Notary Public.

(SEAL)

My Commission expires

Address:

No.
FROM
TO
Dated , 19
No. Acres
County,
Term
This instrument was filed for record on the
day of 19 , at
o'clock M., and duly recorded in
Volume Page
of the records of this office.
County Clerk.
By Deputy.
When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 21, 1987 BY AND BETWEEN DELBERT J. ARTHUR, LESSOR AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: N½N½

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

× Delbert J. Arthur
Delbert J. Arthur

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 17th day of August, 19 87, by and between Robert Mack Smith, a single man

whose post office address is P.O. Box 27,Big Piney,Wyoming83113, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7955 E.ArapahoeCrt.Englewood,Co.80112 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette, State of Wyoming, described as follows, to-wit:

219185

SEE EXHIBIT "A" RIDER ATTACHED

RECORDED Dec. 9 1987 2:00 P M
IN BOOK 80 O&G PAGE 657
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Marie Ritz

and containing 480 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Robert Mack Smith
Robert Mack Smith

SS#520-42-4896

Judy A. Babcock
Notary Public

Judy A. Babcock - Notary Public
County of Sublette State of Wyoming
My Commission Expires December 1, 1990

Printed by P&M Printing (303) 423-4691

STATE OF Wyoming }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of August, 19 87, personally appeared Robert Mack Smith, a single man _____ and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

---

STATE OF _____ }
COUNTY OF _____ } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ and _____, to me known to be the identical person _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public.

Address: _____

---

STATE OF _____ }
COUNTY OF _____ } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this _____ day of _____, A.D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____ and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____.

_____
Notary Public.

(SEAL)

Address: _____

My Commission expires _____

---

No. _____

FROM

TO

Dated _____, 19____

No. Acres _____

_____ County, _____

Term _____

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

_____
County Clerk.

_____
Deputy.

When recorded return to

EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 17, 1987 BY AND BETWEEN ROBERT MACK SMITH, A SINGLE MAN, LESSOR AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 111 West, 6th P.M.
Section 11: SW¼
Section 14: N½NW¼, SW¼NW¼
Section 15: NW¼, SE¼NE¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

X Robert Mack Smith
Robert Mack Smith

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 17th day of August, 19 87, by and between FIRST NATIONAL BANK OF OMAHA,TRUSTEE FOR NICHOLAS GORDON TRIST BURKE,HARRIOTT BURKE BANDENDISTEL,JANE RANDOLPH BURKE, HARRIOTT RANDOLPH KILLEBREW & KATHERINE LEE KILLEBREW whose post office address is P.O. Box 3128,Omaha,NE68103, hereinafter called Lessor (whether one or more) and GILMAN A. HILL whose post office address is 7355 E.Arapahoe Crt.Englewood,Co.80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette State of Wyoming, described as follows, to-wit:

218136

RECORDED Dec. 9 1987 2:00 PM
IN BOOK 80 O & G PAGE 660
FEES 8.00 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mari Riley

SEE EXHIBIT "A" ATTACHED HERETO

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

FIRST NATIONAL BANK OF OMAHA,TRUSTEE FOR
NICHOLAS GORDON TRIST BURKE,HARRIOTT BURKE
BANDENDISTEL,JANE RANDOLPH BURKE,HARRIOTT
RANDOLPH KILLEBREW AND KATHERINE LEE KILLEBREW

BY: Jan E. DeRoin
Jan E. DeRoin,Trust Officer
Tax I.D. No. 47-6135986

[redacted] [redacted] [redacted]

Printed by P&M Printing (303) 423-4691

STATE OF_____ } ss.
COUNTY OF_____ }

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this_____ day of_____, 19_____, personally appeared_____ and_____, to me known to be the identical person_____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that_____ duly executed the same as_____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires_____

_____
Notary Public.

Address: _____

STATE OF_____ } ss.
COUNTY OF_____ }

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this_____ day of_____, 19_____, personally appeared_____ and_____, to me known to be the identical person_____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that_____ duly executed the same as_____ free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires_____

_____
Notary Public.

Address: _____

STATE OF Nebraska } ss.
COUNTY OF Douglas }

**ACKNOWLEDGMENT (For use by Corporation)**

On this 24th day of August, A.D. 1987, before me personally appeared Jan E. DeRoin, to me personally known, who, being by me duly sworn, did say that he is the Trust Officer of First National Bank of Omaha, Trustee, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Jan E. DeRoin, Trust Officer, acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this 24th day of August, A.D. 1987.

Elna W. Peirce
Notary Public.

(SEAL)

GENERAL NOTARY - State of Nebraska
ELNA W. PEIRCE
My Comm. Exp. Nov. 3, 1988

My Commission expires 11-3-88

Address: Omaha, Douglas Co., Ne

No._____

FROM

TO

Dated_____

No. Acres_____

County_____

Term_____

This instrument was filed for record on the_____ day of_____, 19_____, at _____ o'clock_____M., and duly recorded in Volume_____ Page_____ of the records of this office.

_____ County Clerk.

By_____ Deputy.

When recorded return to

# EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 17, 1987 BY AND BETWEEN FIRST NATIONAL BANK OF OMAHA, TRUSTEE FOR NICHOLAS GORDON TRIST BURKE, HARRIOTT BURKE BANDENDISTEL, JANE RANDOLPH BURKE, HARRIOTT RANDOLPH KILLEBREW AND KATHERINE LEE KILLEBREW,LESSOR AND GILMAN A. HILL, LESSEE.

Township 31 North, Range 110 West, 6th P.M.
Section 17: NE¼NE¼, NW¼SW¼, SE¼SW¼,NW¼SE¼

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

FIRST NATIONAL BANK OF OMAHA, TRUSTEE FOR NICHOLAS GORDON TRIST BURKE, HARRIOTT BURKE BANDENDISTEL, JANE RANDOLPH BURKE, HARRIOTT RANDOLPH KILLEBREW AND KATHERINE LEE KILLEBREW

BY: Jan E. DeRoin

Jan E. DeRoin, Trust Officer

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2

# OIL AND GAS LEASE

AGREEMENT, Made and entered into the 20th day of August, 19 87, by and between
Helen Ball LaBass, a widow

whose post office address is 10012 Pioneer,Oakdale, CA 95361, hereinafter called Lessor (whether one or more) and
GILMAN A. HILL whose post office address is 7955 E.Arapahoe Crt,Englewood,Co.80112, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten & More DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Sublette

State of Wyoming, described as follows, to-wit:

218137

RECORDED Dec. 9 1987 2:00 P
IN BOOK 80 O&G PAGE 663
FEES 8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mara Riley

SEE EXHIBIT "A" ATTACHED HERETO

and containing 160 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~XX~~ one (1) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd To pay Lessor one-eighth (1/8th) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8th), payable monthly at the wellhead price.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the wellhead price.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize, pool, or combine all or any part of the above described lands as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agreement. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payments to be made hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Helen Ball LaBass

Helen Ball LaBass

Social Sec. No.
549-12-1605

Printed by P&M Printing (303) 423-4691

STATE OF California
COUNTY OF Stanislaus } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 24th day of August, 19 87, personally appeared Helen Ball LaBass, a widow

and

, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires May 28, 1991

Notary Public.

Address: 629 12th St Modesto, Ca 95354

OFFICIAL SEAL
CHUCK WINNING
NOTARY PUBLIC - CALIFORNIA
STANISLAUS COUNTY
My Comm. Expires May 28, 1991

STATE OF
COUNTY OF } ss.

**Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota**
**ACKNOWLEDGMENT—INDIVIDUAL**

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of, 19, personally appeared

and

, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that duly executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires

Notary Public.

Address:

STATE OF
COUNTY OF } ss.

**ACKNOWLEDGMENT (For use by Corporation)**

On this day of, A.D. 19, before me personally appeared, to me personally known, who, being by me duly sworn, did say that he is the of and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this day of, A.D. 19.

Notary Public.

(SEAL)

Address:

My Commission expires

No.

FROM

TO

Dated, 19

No. Acres

County,

Term

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

County Clerk.

By Deputy.

When recorded return to

## EXHIBIT "A" RIDER

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED AUGUST 20, 1987 BY AND BETWEEN HELEN BALL LABASS, A WIDOW, LESSOR, AND GILMAN A. HILL, LESSEE.

Township 33 North, Range 111 West, 6th P.M.
Section 8: N½N½

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, those lands which are adjacent, adjoining or contiguous to the lands described above, and which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights owned, acquired or retained by lessor by avulsion, accretion, reliction or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river, traversing or adjoining the lands described above by virture of lessor's ownership of the land described above.

SIGNED FOR IDENTIFICATION

x Helen Ball LaBass
Helen Ball LaBass

666

If Homestead
WY 006 15285

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0011
Expires: August 31, 1985

Lease Serial No.
W-54471

Lease effective date
September 1, 1976

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

Energetics Operating Company

Address (include zip code)

7951 E. Maplewood Ave., Suite 133
Englewood, CO 80111

The undersigned, as owner of * percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

TRACT I: 18.882008 TRACT II: 75.528034

218138

RECORDED Dec. 9 1987 3:00 PM
IN BOOK 80 O&G PAGE 666
FEES $8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: marie Riley

Township 28 North, Range 112 West, 6th P.M.
Section 35: Lots 1, 2, 3, SE/4NE/4 TRACT I
Section 35: E/2SE/4, SW/4SE/4 TRACT II
Containing 209.45 acres, more or less, Sublette County, Wyoming
Limited to rights from the surface down to the stratigraphic equivalent of the total depth drilled (9,300 feet) in the Energetics Yose Cattle Co. #40-35 located in the NW/4SE/4 Section 35, Township 28 North, Range 112 West, Sublette County, Wyoming.

Subject to: (1) Farmout Option Agreement dated May 6, 1983, by and between Terra Resources, Inc. and Energetics, Inc., and (2) Farmout Agreement dated September 21, 1983, by and between Williams Exploration Company and Energetics, Inc.

THIS ASSIGNMENT is made and shall in all respects be subject to those provisions in the attached Rider.

| | Tract I | Tract II |
|---|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | 1.230341% | 4.921367% |
| 4. Specify interest or percent of operating rights being retained by assignor | 17.651667% | 70.606667% |
| 5. Specify overriding royalty interest being reserved by assignor | None | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 5.5% | 9.5% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of October, 19 87

ENERGETICS, INC., a Delaware corporation

By: _____
(Assignor's Signature)
Jordan M. Smith, President

102 Inverness Terrace East
(Assignor's Address)

Englewood, Colorado 80112
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective NOV 1 1987

By: Fred O'Farrell
(Authorized Officer)

Approve[redacted] warrant that either party to this tr[redacted]lds legal or equitable

PART II

## ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States or any State or Territory thereof; or municipalities.

2. Of the age of majority in the State where the lands to be assigned are located.

3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 1st day of October, 1987.

ENERGETICS OPERATING COMPANY

Donald L. Peterson

(Assignee's Signature)

7951 E. Maplewood Avenue, Suite 133

(Assignee's Address)

Donald L. Peterson, President

Englewood, Colorado 80111

(City) (State) (Zip Code)

Suzanne R. Kalutkiewicz, Secretary

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

## INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.

(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.

(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.

(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.



GPO 836-844

RIDER

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described herein.
oXXEXXXIXXXXXXX

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 20, 1985.

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith

Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

State of Colorado }
County of Arapahoe } ss.

ACKNOWLEDGMENT (For use by Corporation)

On this 1st day of October, A. D. 19 87, before me personally appeared Jordan R. Smith, to me personally known, who, being by me duly sworn, did say that he is the President of Energetics, Inc. a Delaware Corporation and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Jordan R. Smith acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of October, A. D. 19 87

(SEAL) [redacted]

Tom G. Griffith

[redacted] 4th Ave. #4

[redacted] ary Public.

# ASSIGNMENT OF OVERRIDING ROYALTY AFFECTING

# UNITED STATES OIL AND GAS LEASE W-57521

# DISTRICT LAND OFFICE Cheyenne, Wyoming

KNOW ALL MEN BY THESE PRESENTS, That R. K. Cramer
410 17th Street, Suite 1340
Denver, CO 80202
, Assignor (whether one or more) for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, overriding royalty unto the following parties in the amounts shown:

| NAME | ADDRESS | PER CENT |
|---|---|---|
| CRAMER OIL COMPANY | 410 17th Street, Suite 1340<br>Denver, Colorado 80202 | 4½% of 8/8ths |

219177

RECORDED Dec. 14 1987 10:15 A M
IN BOOK 80 O&G PAGE 669
FEES $ 6.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

Being in all a total of an undivided Four and one-half percent (4½%) of 8/8ths ORRI overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the following described lands situated in Sublette County, State of Wyoming, under the above designated oil and gas lease and any extension or renewal thereof, to wit:

Township 28 North, Range 108 West, 6th P.M.

Sec. 2: Lots 1, 2, 3, 4, S½S½
Sec. 3: Lots 1, 2, 3, 4, S½S½
Sec. 4: Lots 1, 2, 3, 4, S½S½
Sec. 10: All
Sec. 11: All

Containing 2229.96 acres, more or less.

WITNESS our hands this 6th day of October, 19 87

Witnesses:

Kay J. Bonusch

R. K. Cramer

STATE OF COLORADO }
COUNTY OF Denver } ss.

On the 6th day of October, 19 87, before me personally appeared R. K. Cramer the signor of the above instrument, who duly acknowledged to me that he executed the same.

Kay J. Bonusch
Notary Public

My commission expires:
March 1, 1990

669 Residing in Morrison, Colorado

# SHOWING AND REQUEST FOR APPROVAL OF ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

(Individual)

The undersigned hereby request(s) approval of the foregoing Royalty Assignment and represent(s) that:

1. Each of undersigned (if more than one) is a native born citizen of the United States over the age of 21 years.

2. The interests, direct and indirect, of each of the undersigned in oil and gas leases and in applications or offers therefor affecting public lands in the State of .....Wyoming....., together with the acreage affected by the foregoing Royalty Assignment do not exceed 246,080 chargeable acres.

3. The royalty interest assigned under the foregoing Royalty Assignment, and the royalty payable to the United States under said Oil and Gas Lease do not exceed in the aggregate 17½ per cent. The foregoing Royalty Assignment is subject to the limitation of overriding royalties as specified in 43 C.F.R. Sec. 192.83.

4. Each of the undersigned is the sole party in interest in the royalty assigned said person.

**Witness:** **Assignee:**

Kay J. Bonnesh ..... as to R. K. Cramer
R. K. Cramer, Managing Partner
Cramer Oil Company

..... as to .....

..... as to .....

..... as to .....

..... as to .....

..... as to .....

..... as to .....

..... as to .....

..... as to .....

..... as to .....

..... as to .....

6/86 blu

# RELEASE OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That, CITIES SERVICE OIL AND GAS CORPORATION, a Delaware Corporation, does hereby release, relinquish and surrender all of its right, title and interest in and to the following described Oil and Gas Lease, situated in SUBLETTE County, State of WYOMING, identified by reference to the number assigned thereto by Lessee, the lease date, the name of the Lessor, the book and page of the recording thereof, and the description of the land covered thereby to-wit:

| | |
|---|---|
| LEASE NUMBER: | 6-4906427/4906427 |
| DATE: | June 2, 1976 |
| LESSOR: | State of Wyoming (76-0405) |
| LESSEE: | Raymond Chorney |
| RECORDING DATA: | Book 56, Page 41 |
| DESCRIPTION: | 640 acs in all of Sec 16-29N-107W, 6th P.M. |

Executed on this 9th day of November, 1987.

CITIES SERVICE OIL AND GAS CORPORATION

By _____
P. N. McGee, Attorney-In-Fact

218183

RECORDED Dec. 14 1987 1:53 P.M.
IN BOOK 80 O&G PAGE 671
FEES $4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

STATE OF OKLAHOMA )
) SS
COUNTY OF TULSA )

The foregoing instrument was acknowledged before me this 9th day of November, 1987, by P. N. McGee, as Attorney-in-Fact, for CITIES SERVICE OIL AND GAS CORPORATION.

Witness my hand and official seal.

My Commission Expires:

February 11, 1991

Sharon K. Kruse
Sharon K. Kruse, Notary Public

NOTARY PUBLIC IN AND FOR STATE OF OKLAHOMA TULSA COUNTY

CG
11/86

# RELEASE OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That, CITIES SERVICE OIL AND GAS CORPORATION, a Delaware corporation, does hereby release, relinquish and surrender all its right, title and interest in and to the following described Oil and Gas Lease, situated in SUBLETTE County, State of WYOMING, identified by reference to the number assigned thereto by Lessee, the name of the Lessor, the lease date, the description of the land covered thereby, and being released hereunder, and the book and page of the recording thereof, only insofar as said lease covers and is upon the land described hereinafter:

| | |
|---|---|
| LEASE NUMBER: | 6-4907528 |
| DATE: | September 7, 1979 |
| LESSOR: | Steve Kanski, et ux |
| LESSEE: | Kenai Oil and Gas Inc., et al |
| RECORDING DATA: | Book 58, Page 197 |
| DESCRIPTION: | 952.52 acs, m/l, NW/4 SW/4, S/2 SW/4 Sec 5; Lots 6,7, E/2 SW/4, SE/4 Sec 6; Lots 1,2, NE/4, E/2 NW/4 Sec 7 and NW/4 Sec 8-34N-112W, 6th PM; SE/4 NE/4 Sec 12-34N-113W, 6TH PM |

Executed on this 14th day of January, 1987.

CITIES SERVICE OIL AND GAS CORPORATION

By _____
P. N. McGee, Attorney-in-Fact

STATE OF OKLAHOMA )
) ss
COUNTY OF TULSA )

On this the 14th day of January, 19 87, before me, Ruby C. Vandiver, the undersigned officer, personally appeared P. N. McGee, who acknowledged himself to be the Attorney-in-Fact of CITIES SERVICE OIL AND GAS CORPORATION, a corporation, and that he, as such Attorney-in-Fact, being authorized so to do, signed and delivered the foregoing instrument for the purposes therein contained, by signing the name of the by himself as Attorney-in-Fact.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires:
August 12, 1989

Ruby C. Vandiver
Ruby C. Vandiver, Notary Public

21S184

RECORDED Dec. 14 1987 10:30 AM
IN BOOK 80 O&G PAGE 672
FEES $4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Peterson

[redacted] [redacted] 2316-44087-00 [redacted]

Effective 11-86
Form ML-2

Return To:
[redacted]TION CORP.
[redacted]
[redacted] LB 10
Dallas, Texas 75201-4096

# STATE OF WYOMING
# DEPARTMENT OF PUBLIC LANDS
# OIL AND GAS LEASE INTEREST ASSIGNMENT

NOTE: ALL ASSIGNMENTS MUST MEET THE REQUIREMENTS ON PAGE 4 OF THIS FORM

OIL & GAS LEASE SERIAL NUMBER 76-0342, effective July 29, 19 83, described as follows:

Township 29 North - Range 114 West
Section 16: All

County Sublette Total Acres 640.00

---

ASSIGNOR, Terra Resources, Inc.

with address at 5416 S. Yale, Tulsa, Oklahoma 74135,

being the owner of * percent undivided leasehold interest in
(undivided leasehold/divided leasehold/overriding royalty)
this lease, described more particularly as: 21,195

TOWNSHIP 29 NORTH - RANGE 114 WEST
Section 16: All

RECORDED Dec. 14 1982 4:00 PM
IN BOOK 80 O&G PAGE 673
FEES $ 2.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

*50% interest from surface to 9340', and
15% interest below 9340'.

for good and valuable consideration, hereby assigns:

(1) TXO Production Corp., assignee, with address at:

First City Center, 1700 Pacific Avenue, LB-10, Dallas, Texas 75201,

30% percent of assignor's right, title and interest in the lease;

(2) _____, assignee, with address at:

_____,

_____ percent of assignor's right, title and interest in the lease;

(3) _____, assignee, with address at:

_____,

_____ percent of assignor's right, title, and interest in the lease,

(totaling 30% percent of full leasehold interest), insofar as it covers the following described land:

Township 29 North - Range 114 West
Section 16: All

containing 640.00 acres, more or less, ~~and reserving unto assignor~~ _____

_____.

This assignment is subject to any overriding royalty previously reserved or conveyed. Assignor and assignee expressly agree that assignments and reservations of overriding royalties or production payments which create a cost-free interest that, when added to any cost-free interests previously reserved or conveyed, exceed five percent (5%) of the gross production, then at least one-half (½) of such interest exceeding five percent (5%) will be paid to the State of Wyoming by the assignor. It is also expressly agreed that any overriding royalty exceeding in the aggregate five percent (5%) may be cancelled by the Land Board if it finds such override creates a burden on lease operations or development.

TO HAVE AND TO HOLD unto assignee, it successors and assigns, subject to the terms and conditions of said lease. The grants and reservations in this assignment extend to any reissue lease, substitute lease, or new lease issued in lieu thereof with full effect.

IN WITNESS WHEREOF, this instrument is signed this 14th day of July, 19 87.

WITNESS:

_____

TERRA RESOURCES, INC.
Assignor - Lessee

By: _____
Title: G. S. Farris, Vice President

Attest:
James P. Niedermeyer
Ass't Secretary

Assignment Effective Date: SEPTEMBER 24, 1987 7/29/83

ACKNOWLEDGEMENT (For use by Individual)

State of _____ )
) ss.
County of _____ )

On this ____ day of _____, 19 ____, before me personally appeared _____, to me known to be the person who executed the foregoing instrument, acknowledged that he executed the same as his free act and deed.

Witness my hand and seal this ____ day of _____, 19___.

_____
Notary Public

My Commission expires: _____

ACKNOWLEDGEMENT (For use by Corporation)

State of Oklahoma )
) ss.
County of Tulsa )

On this 14Th day of July, 19 87, before me personally appeared G. S. Farris & James P. Niedermeyer, to me personally known, who, being by me duly sworn, did say that he is the Vice President & Ass't Secretary of Terra Resources, Inc. and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and said officers acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 14Th day of July, 1987.

Sue Mills
Notary Public

My Commission expires: June 30, 1990

Assignment approved by the Commissioner of Public Lands: SEPTEMBER 24, 1987 without binding the State for the payment of any overriding royalty.

(Fee for recording this form of assignment is $20.00. If other terms are desired incorporated in the assignment, signed copies of same should be forwarded to Commissioner of Public Lands in duplicate, as one copy is retained for the office record.)

[redacted] [redacted] [redacted]

LEASE SERIAL NO. 76-0342

STATE OF WYOMING
DEPARTMENT OF PUBLIC LANDS
OIL AND GAS LEASE INTEREST ASSIGNMENT

ASSIGNEE CERTIFICATION AND AGREEMENT

Assignee certifies that assignee is of required age to hold a State lease interest and is a citizen of the United States. Assignee certifies that applicable filings with the Secretary of State for qualification to transact business in the State of Wyoming have been effected, and approved by that office.

Assignee is an ____ Individual

____ General Partnership

____ Limited Partnership

xxx Corporation.

Assignee agrees that, upon approval of this assignment by the Commissioner of Public Lands, assignee will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including but not limited to, the obligation to pay all rentals and royalties due and accruing to said lease, to properly abandon all wells, to restore the leased land upon completion of any operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable rules and regulations of the Board of Land Commissioners.

Designated responsible party for all lease rental payments, royalty payments, and correspondence:

Fina Oil and Chemical Company

Address: P.O. Box 2159

Dallas, Texas 75221

Telephone: (214)750-2400

TXO PRODUCTION CORP.

Assignee's Signature Charles L. Canfield
Executive Vice President

1700 Pacific Avenue LB-10, Dallas, TX 7520[illegible]
Assignee's Address 469[illegible]

August 20, 1987
Date

ATTEST/WITNESS: Joseph R Bamford
Assistant Secretary

# ASSIGNMENT OF OVERRIDING ROYALTY AFFECTING OIL AND GAS LEASE USA-W-104787
Ref. # WY-61,743

KNOW ALL MEN BY THESE PRESENTS, That Jack J. Grynberg
5000 S. Quebec St., Suite 500
Denver, Colorado 80237
, Assignor (whether one or more) for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, overriding royalty unto the following parties in the amounts shown:

| NAME | ADDRESS | PER CENT |
|---|---|---|
| Celeste C. Grynberg and Dean G. Smernoff as Co-Trustees for Rachel Susan Grynberg beneficiary under the "Rachel Susan Trust" | 5000 S. Quebec Suite 500 Denver, CO 80237 | 2.0833% of 8/8ths |
| Celeste C. Grynberg and Dean G. Smernoff as Co-Trustees for Stephen Mark Grynberg beneficiary under the "Stephen Mark Trust" | 5000 S. Quebec Suite 500 Denver, CO 80237 | 2.0833% of 8/8ths |
| Celeste C. Grynberg and Dean G. Smernoff as Co-Trustees for Miriam Zela Grynberg beneficiary under the "Miriam Zela Trust" | 5000 S. Quebec Suite 500 Denver, CO 80237 | 2.0834% of 8/8ths |

Whose trust agreement may be found recorded in Denver County, Colorado, Book 2049, Pages 71-96.

Being in all a total of an undivided 6.25% of 8/8ths (Six point twenty five percent of eight eighths) overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the following described lands situated in Sublette County, State of Wyoming, under the above designated oil and gas lease and any extention or renewal thereof, to wit:

216216

Township 28 North - Range 106 West
Section 5: Lots 5, 6
Section 35: NE/4
Containing 256.46 acres, more or less.

RECORDED Dec. 17 1987 10:00 A
IN BOOK 80 of G PAGE 676
FEES 4.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mary Kirby

WITNESS our hands this 30th day of June, 1987

Witnesses:

_____

_____

Jack J. Grynberg, Assignor

Celeste C. Grynberg, Spouse

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

On the 30th day of June, 19 87, before me personally appeared Jack J. Grynberg and Celeste C. Grynberg the signors of the above instrument, who duly acknowledged to me that they executed the same.

NOTARY PUBLIC STATE OF COLO

Notary Public
Linda L. Magnuson
5000 S. Quebec, Ste.500
Denver, CO 80237

My commission expires:

March 13, 1990

[redacted] [redacted] [redacted]

Highline WY-641
Chapel Canyon 30-18

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

. THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133 , Englewood, Colorado 80111 (hereinafter referred to as "ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees listed on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as "ASSIGNEE"), in the percentages set out beside the respective ASSIGNEE, to the extent indicated on Exhibit "A" that percentage of interest in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following"

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests of record, as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. An overriding royalty being reserved herein by Assignor in an amount equal to the difference between the total amount of burdens existing of record on said Oil and Gas Leases (including the overriding royalty due Energetics Royalty Corporation) and seventy-five percent (75%). Said overriding royalty interest shall convert to an undivided fifty percent (50%) working interest and leasehold estate interest upon payout as further defined in Exhibit "A". The term "burdens" as used herein shall be deemed to include all royalties, overriding royalties and, production payments and similar lease burdens. If the interest being conveyed to ASSIGNEE herein is less than one hundred percent (100%), then the overriding royalty interest being reserved by ASSIGNOR and the working interest to which it is convertible shall reduce proportionately.

4. This Assignment is made without representation or warranty of title either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

219258

RECORDED Dec. 21 19 87 11:01 A.M.
IN BOOK 80 O&G PAGE 677
FEES $ 16.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of February 24, 1984 and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ATTEST:

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By ~~Joseph C. Henein, Attorney-in-Fact~~
Donald L. Peterson, President

D&R ENERGY PROGRAM 1981A

By _____

WHITE PINE FUND 1981

By _____

CONTINENTAL-AMERICAN DRILLING PROGRAM 1981-B, LTD.

By _____
TRITON OIL ~~AND~~ GAS CORP~~ORATION~~
successor in interest to
BAY STATE EXPLORATION, INC.

By _____
~~T. E. GIBBONS~~
Attorney-In-Fact

ARLINGTON EXPLORATION GROUP

By _____

RSCA LIMITED PARTNERSHIP 1981

By _____

PETRON - III - 1981

By _____

ATTEST:

SUNEXCO ENERGY OIL & GAS PROGRAM, 1981
LIMITED PARTNERSHIP

By _____

By _____

[redacted] [redacted] [redacted]

JEFFERY J. TEMPAS

AMERICAN PETROLEUM DRILLING PROGRAM
1981-C

By _____

ENGERED 1981

By _____

CROYAL TWO

By _____

GENERAL HYDROCARBONS 1981 OIL AND GAS PROGRAM

By _____

GUARANTY ENERGY GROUP 1981

By _____

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

## CORPORATE ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this day personally appeared T E. GIBBONS, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of TRITON OIL & GAS CORP., a Texas corporation, and acknowledged to me that he executed the same, on behalf of said corporation, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 13th day of November, 1987.

My Commission Expires:

Oct. 26, 1989

Janice L. Davis
Notary Public in and for
the State of Texas

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED FEBRUARY 24, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

SUBJECT WELL: Chapel Canyon 30-18

Payout shall be deemed to have occurred as of 7:00 A.M. on the first day of the calendar month next following the month in which Assignee has recovered from the proceeds of production of the subject well, after payment of proceeds attributable to the lease burdens, the amount equal to Assignee's share of all expenditures for drilling, testing, completing, equipping and developing (tangible and intangible) the subject well plus costs (including without limitation, Federal, state and local excise and severance taxes on the production, sale or removal of oil, gas or other minerals) of operating the subject well to produce such an amount.

Assignor is the owner of an undivided 35.888019% interest as of the date of this assignment and intends to convey a portion of that interest as listed below.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| D&R Energy Program 1981<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, MN 55416 | .708525% |
| White Pine Fund 1981<br>1300 TCF Tower<br>Minneapolis, MN 55402-2872 | .708525% |
| Continental-American Drilling Program 1981-B, Ltd.<br>P. O. Box 618<br>Bedford, NY 10506 | 1.998918% |
| Triton Oil ~~and~~ Gas Corp~~oration~~<br>1000 Two Energy Square<br>4849 Greenville Avenue<br>Dallas, Texas 75206 | .591009% |
| Arlington Exploration Group<br>137 Newbury Street<br>Boston, MA 02116 | .199416% |
| RSCA Limited Partnership 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | .380928% |
| Petron - III - 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | .499777% |
| Sunexco Energy Oil & Gas Program 1981 Limited Partnership<br>7853 E. Arapahoe Court, Suite 2500<br>Englewood, CO 80112 | 240324% |
| Jeffery J. Tempas<br>2 Glenridge Drive<br>Littleton, CO 80123 | .003660% |
| American Petroleum Drilling Program 1981-C<br>Rt. 22, Bank of New York Building<br>P. O. Box 618<br>Bedford, N.Y. 10506 | .285696% |

| | |
|---|---|
| Engered 1981<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 1.142783% |
| Croyal Two<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 2.417483% |
| General Hydrocarbons 1981 Oil and Gas Program<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, MT 59107-1515 | 2.009525% |
| Guaranty Energy Group 1981<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, MT 59107-1515 | 1.899269% |

THE INTENT REPRESENTED IN THIS ASSIGNMENT IS TO CONVEY A PORTION OF THE INTEREST RECEIVED BY ASSIGNOR UNDER THAT CERTAIN PARTIAL ASSIGNMENT OF OIL AND GAS LEASES DATED JANUARY 21, 1983, FROM BELCO PETROLEUM CORPORATION TO ENERGETICS, INC. (AS PREDECESSOR IN INTEREST TO ENERGETICS OPERATING COMPANY).

THIS ASSIGNMENT IS SUBJECT TO THAT POOLING AGREEMENT, DATED FEBRUARY 1, 1984, BY AND BETWEEN ENERGETICS, INC. (AS PREDECESSOR IN INTEREST TO ENERGETICS OPERATING COMPANY), FIRST WYOMING BANK, N.A., TRUSTEE FOR THE FEAR FAMILY TRUST, AND BELCO PETROLEUM CORPORATION.

IT IS UNDERSTOOD THAT ASSIGNOR RETAINS AN UNDIVIDED 22.802181% INTEREST IN THE OIL AND GAS LEASES DESCRIBED IN EXHIBIT "B" ATTACHED HERETO AND THE OVERRIDING ROYALTY INTEREST RESERVED HEREIN SHALL ONLY BURDEN THE INTEREST ASSIGNED TO THE ASSIGNEES HEREIN UNDER THIS ASSIGNMENT.

EXHIBIT "B"

EXHIBIT "B" TO THAT ASSIGNMENT DATED FEBRUARY 24, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE |
|---|---|---|---|---|---|---|
| 14725 | The First National Bank of Kemmerer, as Trustee of the Fear Family Trust | Thomas F. Stroock | 12/29/72 | Insofar and only insofar as the lease covers:<br>Township 28 North, Range 111 West<br>Section 18: E/2SW/4, Lots 3 & 4<br>Sublette County, WY | 48 | 632 |

683

WY-641, Highline

# ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Ave., #133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B," attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provision of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests of record, as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C," attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B."

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

219259

RECORDED Dec. 21 1987 11:00 A.M.
IN BOOK 80 of G PAGE 684
FEES $18.00 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mari Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of February 26, 1984 and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By Donald L. Peterson

~~Joseph C. Menein, Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS 1981 MID-YEAR LIMITED PARTNERSHIP

By_____

ENERGETICS 1981 STROH MID-YEAR LIMITED PARTNERSHIP

By_____

D&R ENERGY PROGRAM 1981A

By_____

WHITE PINE FUND 1981

By_____

CONTINENTAL-AMERICAN DRILLING PROGRAM 1981-B, LTD.

By T. E. Gibbons

TRITON OIL ~~AND~~ GAS CORP~~ORATION~~
successor in interest to
BAY STATE EXPLORATION, INC.

ATTEST:

By_____

By T. E. Gibbons

T. E. GIBBONS
Attorney-In-Fact
ARLINGTON EXPLORATION GROUP

By_____

RSCA LIMITED PARTNERSHIP 1981

By_____

PETRON - III - 1981

By_____

ATTEST:

SUNEXCO ENERGY OIL & GAS PROGRAM 1981,
LIMITED PARTNERSHIP

By_____ By_____

JEFFERY J. TEMPAS

AMERICAN PETROLEUM DRILLING PROGRAM
1981-C

By_____

ENGERED 1981

By_____

CROYAL TWO

By_____

GENERAL HYDROCARBONS 1981 OIL AND GAS
PROGRAM

By_____

GUARANTY ENERGY GROUP 1981

By_____

ATTEST:

BEACON EXPLORATION COMPANY

By_____ By_____

[redacted] [redacted] [redacted]

# EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED FEBRUARY 26, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.
ASSIGNOR IS THE OWNER OF AN UNDIVIDED 37.802181% INTEREST AS OF THE DATE OF THIS ASSIGNMENT AND INTENDS TO CONVEY A PORTION OF THAT INTEREST AS LISTED BELOW.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| Energetics 1981 Mid-Year Limited Partnership<br>116 Inverness Drive East<br>Englewood, Colorado 80112 | .883753% |
| Energetics 1981 Stroh Mid-Year Limited Partnership<br>116 Inverness Drive East<br>Englewood, Colorado 80112 | .392355% |
| D&R Energy Program 1981<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, MN 55416 | .354263% |
| White Pine Fund 1981<br>1300 TCF Tower<br>Minneapolis, MN 55402-2872 | .354263% |
| Continental-American Drilling Program 1981-B, Ltd.<br>P. O. Box 618<br>Bedford, NY 10506 | .999459% |
| Triton Oil ~~and~~ Gas Corp~~oration~~<br>1000 Two Energy Square<br>4849 Greenville Avenue<br>Dallas, TX 75206 | .295505% |
| Arlington Exploration Group<br>137 Newbury Street<br>Boston, MA 02116 | .099708% |
| RSCA Limited Partnership 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | .190464% |
| Petron - III - 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | .249889% |
| Sunexco Energy Oil & Gas Program 1981, Limited Partnership<br>7853 E. Arapahoe Court, Suite 2500<br>Englewood, CO 80112 | .120162% |
| Jeffery J. Tempas<br>2 Glenridge Drive<br>Littleton, CO 80123 | .001830% |
| American Petroleum Drilling Program 1981-C<br>Rt. 22, Bank of New York Building<br>P. O. Box 618<br>Bedford, N.Y. 10506 | .142848% |
| Engered 1981<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | .571392% |
| Croyal Two<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 1.208742% |

General Hydrocarbons 1981 Oil and Gas Program — 3.575282%
200 Transwestern II Building
P. O. Box 31515
Billings, MT 59107-1515

Guaranty Energy Group 1981 — 3.379116%
200 Transwestern II Building
P. O. Box 31515
Billings, MT 59107-1515

Beacon Exploration Company — 1.436195%
410 - 17th Street, Suite 2300
Denver, Colorado 80202

IT IS UNDERSTOOD THAT ASSIGNOR RETAINS AN UNDIVIDED 23.546955% INTEREST IN THE OIL AND GAS LEASES DESCRIBED IN EXHIBIT "B" ATTACHED HERETO.

THE INTENT REPRESENTED IN THIS ASSIGNMENT IS TO CONVEY A PORTION OF THE INTEREST RECEIVED BY ASSIGNOR UNDER THAT CERTAIN ASSIGNMENT FROM BELCO PETROLEUM CORPORATION AS FURTHER DESCRIBED IN EXHIBIT "C" ATTACHED HERETO.

## ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: JUNE 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

Notary Public

CORPORATE ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this day personally appeared T E. GIBBONS, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of TRITON OIL & GAS CORP., a Texas corporation, and acknowledged to me that he executed the same, on behalf of said corporation, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 13th day of November, 1987.

My Commission Expires:

Feb. 24, 1989

Janice L Davis
Notary Public in and for
the State of Texas

EXHIBIT "B"

EXHIBIT "B" TO THAT ASSIGNMENT DATED FEBRUARY 26, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE |
|---|---|---|---|---|---|---|
| 14725 | The First National Bank of Kemmerer, as Trustee of the Fear Family Trust | Thomas F. Stroock | 12/29/72 | Insofar and only insofar as the lease covers:<br>Township 28 North, Range 111 West<br>Section 7: SE/4<br>Section 18: Lot 2, NW/4NE/4, E/2NW/4<br>Sublette County, WY | 48 | 632 |

690

EXHIBIT "C"

EXHIBIT "C" TO THAT ASSIGNMENT DATED FEBRUARY 26 , 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

1. Partial Assignment of Oil and Gas Leases dated January 21, 1983 from Belco Petroleum Corporation to Energetics, Inc. (as predecessor in interest to Energetics Operating Company).

692

WY-641, Highline
Chapel Canyon 30-18
(Getty)

C)

# ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Ave., #133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B," attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provision of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests of record, as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C," attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B."

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

219260

RECORDED Dec. 21 19 87 11:00 AM
IN BOOK 80 O & G PAGE 692
FEES $ 18.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of March 3, 1984 and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By Donald L. Peterson

~~Joseph C. Hencin, Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS 1981 MID-YEAR LIMITED PARTNERSHIP

By _____

ENERGETICS 1981 STROH MID-YEAR LIMITED PARTNERSHIP

By _____

D&R ENERGY PROGRAM 1981A

By _____

WHITE PINE FUND 1981

By _____

CONTINENTAL-AMERICAN DRILLING PROGRAM 1981-B, LTD.

By _____

TRITON OIL ~~AND~~ GAS CORP~~ORATION~~
successor in interest to
BAY STATE EXPLORATION, INC.

ATTEST:

By _____
BELINDA PIROZZOLO
Asst. Secretary

By _____
T. E. GIBBONS
Attorney-In-Fact
ARLINGTON EXPLORATION GROUP

By _____

RSCA LIMITED PARTNERSHIP 1981

By _____

PETRON - III - 1981

By_____

ATTEST:

SUNEXCO ENERGY OIL & GAS PROGRAM 1981, LIMITED PARTNERSHIP

By_____ By_____

JEFFERY J. TEMPAS

AMERICAN PETROLEUM DRILLING PROGRAM 1981-C

By_____

ENGERED 1981

By_____

CROYAL TWO

By_____

GENERAL HYDROCARBONS 1981 OIL AND GAS PROGRAM

By_____

GUARANTY ENERGY GROUP 1981

By_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1981, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

Tom G. Griffith
Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80203

CORPORATE ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this day personally appeared T E. GIBBONS, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of TRITON OIL & GAS CORP., a Texas corporation, and acknowledged to me that he executed the same, on behalf of said corporation, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 13th day of November, 1987.

My Commission Expires:

June 16, 1989

Janice J. Davis
Notary Public in and for
the State of Texas

# EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MARCH 3, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| Energetics 1981 Mid-Year Limited Partnership<br>116 Inverness Drive East<br>Englewood, Colorado 80112 | 8.428152% of Assignor's interest |
| Energetics 1981 Stroh Mid-Year Limited Partnership<br>116 Inverness Drive East<br>Englewood, Colorado 80112 | 3.741808% of Assignor's interest |
| D&R Energy Program 1981<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, MN 55416 | 3.378528% of Assignor's interest |
| White Pine Fund 1981<br>1300 TCF Tower<br>Minneapolis, MN 55402-2872 | 3.378528% of Assignor's interest |
| Continental-American Drilling Program 1981-B, Ltd.<br>P. O. Box 618<br>Bedford, NY 10506 | 9.531624% of Assignor's interest |
| Triton Oil ~~and~~ + Gas Corp~~oration~~<br>1000 Two Energy Square<br>4849 Greenville Avenue<br>Dallas, TX 75206 | 2.818168% of Assignor's interest |
| Arlington Exploration Group<br>137 Newbury Street<br>Boston, MA 02116 | .950896% of Assignor's interest |
| RSCA Limited Partnership 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | 1.816416% of Assignor's interest |
| Petron - III - 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | 2.383136% of Assignor's interest |
| Sunexco Energy Oil & Gas Program 1981, Limited Partnership<br>7853 E. Arapahoe Court, Suite 2500<br>Englewood, CO 80112 | 1.145960% of Assignor's interest |
| Jeffery J. Tempas<br>2 Glenridge Drive<br>Littleton, CO 80123 | .017456% of Assignor's interest |
| American Petroleum Drilling Program 1981-C<br>Rt. 22, Bank of New York Building<br>P. O. Box 618<br>Bedford, N.Y. 10506 | 1.362312% of Assignor's interest |
| Engered 1981<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 5.449240% of Assignor's interest |
| Croyal Two<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 5.626624% of Assignor's interest |

| | |
|---|---|
| General Hydrocarbons 1981 Oil and Gas Program<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, MT 59107-1515 | 16.008505% of Assignor's interest |
| Guaranty Energy Group 1981<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, MT 59107-1515 | 15.130167% of Assignor's interest |

IT IS UNDERSTOOD THAT ASSIGNOR RETAINS AN UNDIVIDED 18.832480% OF ASSIGNOR'S INTEREST IN THE OIL AND GAS LEASES DESCRIBED IN EXHIBIT "B".

THE INTENT REPRESENTED IN THIS ASSIGNMENT IS TO CONVEY THE INTEREST RECEIVED BY ASSIGNOR UNDER THAT CERTAIN ASSIGNMENT FROM GETTY OIL COMPANY, ET AL TO ASSIGNOR AS FURTHER DESCRIBED IN EXHIBIT "C".

EXHIBIT "B"

EXHIBIT "B" TO THAT ASSIGNMENT DATED MARCH 3, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE |
|---|---|---|---|---|---|---|
| 14725 | The First National Bank of Kemmerer, as Trustee of the Fear Family Trust. | Thomas F. Stroock | 12/29/72 | Insofar and only insofar as:<br>Township 28 North, Range 111 West, 6th P.M.<br>Section 7: Lots 1-4, E/2, E/2W/2<br>Section 18: Lots 2-4, NW/4NE/4, E/2W/2<br>less approximately 69.42 acres lying east of the Highline Canal, as excepted in Warranty Deed, dated June 23, 1932, recorded in Book 1 (Deeds), Page 381<br>Sublette County, WY<br><br>From the surface down to, but not below the stratigraphic equivalent of 10,840 feet, as penetrated in the Chapel Canyon Unit No. 30-18 well located in the SW/4 of Section 18, Township 28 North, Range 111 West, Sublette County, WY | 48 | 632 |

698

EXHIBIT "C"

EXHIBIT "C" TO THAT ASSIGNMENT DATED MARCH 3, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

1. Pooling Agreement dated February 1, 1984 by and between Energetics, Inc. (as predecessor in interest to Energetics Operating Company), First of Wyoming Bank, N.A., Trustee for the Fear Family Trust, and Belco Petroleum Corporation.

2. Partial Assignment of Oil and Gas Lease dated March 2, 1983, between Getty Oil Company, Thomas F. Stroock and Marta F. Stroock, Assignor, and Energetics, Inc., Assignee, recorded August 1, 1983 in Book 68 O&G, Page 661, in Sublette County.

WY-641, Highline
Chapel Canyon 30-18

# ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Ave., #133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B," attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provision of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests of record, as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C," attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B."

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

219261

RECORDED Dec. 21 19 87 11:00 A M
IN BOOK 80 O&G PAGE 700
FEES $18.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of February 20, 1984 and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By Donald L. Peterson

~~Joseph C. Menging, Attorney in Fact~~
Donald L. Peterson, President

ENERGETICS 1981 MID-YEAR LIMITED PARTNERSHIP

By _____

ENERGETICS 1981 STROH MID-YEAR LIMITED PARTNERSHIP

By _____

D&R ENERGY PROGRAM 1981A

By _____

WHITE PINE FUND 1981

By _____

CONTINENTAL-AMERICAN DRILLING PROGRAM 1981-B, LTD.

By _____

TRITON OIL ~~AND~~ GAS CORP~~ORATION~~
successor in interest to
BAY STATE EXPLORATION, INC.

ATTEST:

BY _____
BRENDA PIROZZOLO
Asst. Secretary

By _____
T. E. GIBBONS
Attorney-In-Fact
ARLINGTON EXPLORATION GROUP

By _____

RSCA LIMITED PARTNERSHIP 1981

By _____

PETRON - III - 1981

By _____

ATTEST:

SUNEXCO ENERGY OIL & GAS PROGRAM 1981,
LIMITED PARTNERSHIP

By _____ By _____

JEFFERY J. TEMPAS

AMERICAN PETROLEUM DRILLING PROGRAM
1981-C

By _____

ENGERED 1981

By _____

CROYAL TWO

By _____

GENERAL HYDROCARBONS 1981 OIL AND GAS
PROGRAM

By _____

GUARANTY ENERGY GROUP 1981

By _____

ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 19__, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: JUNE 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF

Tom G. Griffith
678 East 4th Ave #A
[redacted]

Notary Public

[redacted] [redacted]

CORPORATE ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this day personally appeared T E. GIBBONS, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of TRITON OIL & GAS CORP., a Texas corporation, and acknowledged to me that he executed the same, on behalf of said corporation, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 13th day of November, 1987.

My Commission Expires:

Oct 21st 1989

Janice J. Davis
Notary Public in and for
the State of Texas

# EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED FEBRUARY 20, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| Energetics 1981 Mid-Year Limited Partnership<br>116 Inverness Drive East<br>Englewood, Colorado 80112 | 2.724530% |
| Energetics 1981 Stroh Mid-Year Limited Partnership<br>116 Inverness Drive East<br>Englewood, Colorado 80112 | 1.209597% |
| D&R Energy Program 1981<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, MN 55416 | 1.092161% |
| White Pine Fund 1981<br>1300 TCF Tower<br>Minneapolis, MN 55402-2872 | 1.092161% |
| Continental-American Drilling Program 1981-B, Ltd.<br>P. O. Box 618<br>Bedford, NY 10506 | 3.081244% |
| Triton Oil ~~and~~ Gas Corp~~oration~~<br>1000 Two Energy Square<br>4849 Greenville Avenue<br>Dallas, Texas 75206 | .911015% |
| Arlington Exploration Group<br>137 Newbury Street<br>Boston, MA 02116 | .307391% |
| RSCA Limited Partnership 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | .587183% |
| Petron - III - 1981<br>160 State Street - Fourth Floor<br>Boston, MA 02109 | .770384 |
| Sunexco Energy Oil & Gas Program 1981, Limited Partnership<br>7853 E. Arapahoe Court, Suite 2500<br>Englewood, CO 80112 | .370450% |
| Jeffery J. Tempas<br>2 Glenridge Drive<br>Littleton, CO 80123 | .005641% |
| American Petroleum Drilling Program 1981-C<br>Rt. 22, Bank of New York Building<br>P. O. Box 618<br>Bedford, N.Y. 10506 | .440387% |
| Engered 1981<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 1.761549% |
| Croyal Two<br>707 Westchester Avenue, Suite 400<br>White Plains, NY 10604 | 1.818892% |

[redacted] [redacted] [redacted]

General Hydrocarbons 1981 Oil and Gas Program 3.097595%
200 Transwestern II Building
P. O. Box 31515
Billings, MT 59107-1515

Guaranty Energy Group 1981 2.927639%
200 Transwestern II Building
P. O. Box 31515
Billings, MT 59107-1515

IT IS UNDERSTOOD THAT ASSIGNOR RETAINS AN UNDIVIDED 37.802181% INTEREST IN THE OIL AND GAS LEASES DESCRIBED IN EXHIBIT "B" ATTACHED HERETO.

THE INTENT REPRESENTED IN THIS ASSIGNMENT IS TO CONVEY A PORTION OF THE INTEREST RECEIVED BY ASSIGNOR UNDER THAT CERTAIN ASSIGNMENT FROM BELCO PETROLEUM CORPORATION AS FURTHER DESCRIBED IN EXHIBIT "C" ATTACHED HERETO.

EXHIBIT "B"

EXHIBIT "B" TO THAT ASSIGNMENT DATED FEBRUARY 20, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | DESCRIPTION | RECORDING BOOK | RECORDING PAGE |
|---|---|---|---|---|---|---|
| 14725 | The First National Bank of Kemmerer, as Trustee of the Fear Family Trust | Thomas F. Stroock | 12/29/72 | Insofar and only insofar as:<br>Township 28 North, Range 111 West<br>Section 7: SE/4<br>Section 18: Lots 2,3,4, NW/4NE/4, E/2W/2<br>Sublette County, Wyoming | 48 | 632 |

EXHIBIT "C"

EXHIBIT "C" TO THAT ASSIGNMENT DATED FEBRUARY 20, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

1. Partial Assignment of Oil and Gas Leases dated January 21, 1983 from Belco Petroleum Corporation to Energetics, Inc. (as predecessor in interest to Energetics Operating Company).

2. Pooling Agreement dated February 1, 1983 by and between Energetics, Inc. (as predecessor in interest to Energetics Operating Company), First Wyoming Bank, N.A., Trustee for the Fear Family Trust, and Belco Petroleum Corporation.

708

Form-3100-11
(April 1986)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No.

# OFFER TO LEASE AND LEASE FOR OIL AND GAS

The undersigned (reverse) offers to lease all or any of the lands in item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 OP. Atty. Gen. 41), or the

**Read Instructions Before Completing**

1. Name [redacted]

Street [redacted]

City, State, Zip Code [redacted]

2. This offer/lease is for: (Check Only One) ☒ PUBLIC DOMAIN LANDS ☐ ACQUIRED LANDS (percent U.S. interest _____)

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested:

| T. | R. | Meridian | State | County |
|---|---|---|---|---|

219323

RECORDED Dec. 28 AD 87 9:30 AM
IN BOOK 80 O & G PAGE 708
FEES $12.00 Mary L Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mary Riley

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total $ _____

Total acres applied for _____

**DO NOT WRITE BELOW THIS LINE**

3. Land included in lease:

| T. | R. | Meridian | State | County |
|---|---|---|---|---|
| 31 N. | 113 W. | | | |

Sec. 14: NW¼SE¼, S½SE¼;
24: NW¼, N½SW¼.

Total acres in lease [redacted]

Rental retained $ [redacted]

In accordance with the above offer, or the previously submitted simultaneous oil and gas lease application or competitive bid, this lease is issued granting the nonexclusive right to conduct oil and gas geophysical exploration, and the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (except helium) in the lands described in item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

Type and primary term of lease:

☒ Simultaneous noncompetitive lease (ten years)

☐ Regular noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by [redacted] ANDREW L. TARSHIS
(Signing Officer)

[redacted], Leasing Section
(Title)

DEC 9 1987
(Date)

EFFECTIVE DATE OF LEASE JAN 1 1988

*(Formerly 3110-1, 2, 3, 3120-1, 7, 3130-4, 5, and 7)

Tear

**FOR LESSEE**

Tear

WY-1885

Tear

[redacted]

4. (a) Undersigned certifies that (1) offeror is a citizen of the United States, an association of such citizens, a municipality, or a corporation organized under the laws of the United States or of any State or Territory thereof, (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities, (3) offeror's chargeable interests, direct and indirect, in either public domain or acquired lands do not exceed 200,000 acres in oil and gas options or 246,080 acres in options and leases in the same State, or 300,000 acres in leases and 300,000 acres in options in either leasing District in Alaska, and (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located.

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer open to leasing at the time this offer was filed but omitted for any reason from this lease. The offeror further agrees that this offer cannot be withdrawn, either in whole or part, unless the withdrawal is received by the BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

**This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if [illegible] concerning the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.**

SIGNATORY CERTIFIES COMPLIANCE WITH QUALIFICATIONS CONCERNING
LEASE HOLDINGS PROVIDED IN SECTION 2(a)(2)(A) OF THE MINERAL LEASING

Duly executed this 26th day of October, 19 87

Madison K Brabham

(Signature of Lessee or Attorney-in-fact)

## LEASE TERMS

Sec. 1. Rentals.—Rentals shall be paid to proper office of lessor in advance of each lease year. Annual rental rates per acre or fraction thereof are:

(a) Simultaneous noncompetitive lease, $1.00 for the first 5 years, thereafter, $3.00;
(b) Regular noncompetitive lease, $1.00;
(c) Competitive lease, $2.00; or
(d) Other, see attachment.

If all or part of a noncompetitive leasehold is determined to be within a known geological structure of a favorable petroleum geological province, annual rental shall become $2.00, beginning with the lease year following notice of such determination. However, a lease that would otherwise be subject to rental of more than $2.00 shall continue to be subject to the higher rental.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), (c), or (d) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties.—Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

(a) Simultaneous noncompetitive lease, 12½%;
(b) Regular noncompetitive lease, 12½%;
(c) Competitive lease, see attachment; or
(d) Other, see attachment.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty shall be due for any lease year after discovery in which royalty payments aggregate less than $1.00 per acre. Lessee shall pay such difference at end of lease year. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (96 Stat. 2447). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rate, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds.—Lessee shall file and maintain any bond required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage.—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection.—Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plats and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations.—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-ways. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations.—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium.—Lessor reserves the option of extracting or having extracted helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract or sale of gas the provisions of this section.

Sec. 9. Damages to property.—Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity.—Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from tracts in the leased lands, lessee shall comply with section 28 of the Mineral Leasing Act.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease.—As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises.—At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default.—If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation. Lessee shall also be subject to applicable provisions and penalties of FOGRMA (96 Stat. 2447). However, if this lease includes land known to contain valuable deposits of leased resources, it may be canceled only by judicial proceedings. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time.

Sec. 14. Heirs and successors in interest.—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

W- 107061

1. SURFACE DISTURBANCE STIPULATION (used on all leases)

Surface disturbance will be prohibited in any of the following areas or conditions. Modifications to this limitation may be approved in writing by the Authorized Officer.

a. Slopes in excess of 25 percent.

b. Within important scenic areas (Class I and II Visual Resource Management areas).

c. Within 500 feet of surface water and/or riparian areas.

d. Within a quarter mile or visual horizon (whichever is closer) of significant sites along historic trails.

e. Construction with frozen material or during periods when the soil material is saturated, frozen, or when watershed damage is likely to occur.

GUIDANCE:

The SURFACE DISTURBANCE STIPULATION will be included on all BLM authorizations. The intent of this stipulation is to inform interested parties (potential lessees, permittees, operators) that, when one or more of the five (a through e) environmental conditions exist, surface disturbing activities will be prohibited unless or until the permittee or his designated representative and the surface management agency (SMA) arrive at an acceptable plan for mitigation of anticipated impacts. This negotiation will occur prior to development and become a condition for approval when authorizing the action.

Specific threshhold criteria (e.g., 500 feet from water) have been established based upon the best information available. However, geographical areas and time periods of concern must be delineated at the field level (i.e., "surface water and/or riparian areas" may include both intermittent and ephemeral water sources or may be limited to perennial surface water). "Significant sites along historic trails," refer to those trail segments and sites which have been enrolled in or are eligible for enrollment in the National Register of Historic Places. These decisions, where possible, should be documented in the land use planning documents.

Modification or waiver of this stipulation must allow for additional requirements to be applied on a site specific basis, if necessary to mitigate the impacts of concern. Waiver of this stipulation must be based upon demonstration, through environmental analysis, plans of development, plans of operation, Application for Permit to Drill (APD) processing, etc., that the adverse affects will be mitigated or avoided.

10/26/87
Date

Signature

W-107061

...NG MANAGEMENT
... OCT 28 AM 9:30
...CHEYENNE, WYOMING

2. WILDLIFE STIPULATION

a. To protect important big game ungulate winter habitat, drilling and other surface disturbing activity will not be allowed during the period from November 15 to April 30 within certain areas encompassed by this lease. The same criteria applies to elk calving areas from the period of May 1 to June 30. This limitation does not apply to maintenance and operation of producing wells. Modifications to this limitation in any year may be approved in writing by the Authorized Officer.

GUIDANCE:

The WILDLIFE STIPULATION is intended to provide two basic types of protection, seasonal restriction (a and b) and no surface occupancy (c). A legal description will ultimately be required and should be measurable and legally definable. There are no minimum subdivision requirements at this time. The area delineated can and should be refined as necessary based upon current biological data at the time the APD or Sundry Notice is processed. It should eventually become a condition for approval in these permits.

The seasonal restriction section of the stipulation identifies three groups of species and delineates two similar timeframe restrictions. These two restrictions are big game ungulate and raptors/grouse. The big game ungulates including elk, moose, deer, antelope, and big horn sheep all require protection of crucial winter range between November 15 and April 30. Sage and sharp-tailed grouse and raptors such as eagles, accipiters, falcons, buteos, osprey, and burrowing owls, also require nesting protection during periods between February 1 and July 31.

The no surface occupancy section of the stipulation is intended for protection of unique wildlife and wildlife habitat values (e.g., sage grouse strutting grounds, known threatened and endangered species habitat, etc.) which cannot be protected using seasonal restrictions.

10/26/87
Date

Signature

711

712

BUREAU OF LAND MANAGEMENT
87 OCT 28 AM 9:30
RECEIVED
CHEYENNE, WYOMING

W-107061

2. WILDLIFE STIPULATION

b. To protect important raptor and/or sage and sharp-tailed grouse nesting habitat, drilling and other surface disturbing activity will not be allowed during the period from February 1 to July 31 within certain areas encompassed by this lease. This limitation does not apply to maintenance and operation of producing wells. Modifications to this limitation in any year may be approved in writing by the Authorized Officer.

GUIDANCE:

The WILDLIFE STIPULATION is intended to provide two basic types of protection, seasonal restriction (a and b) and no surface occupancy (c). A legal description will ultimately be required and should be measurable and legally definable. There are no minimum subdivision requirements at this time. The area delineated can and should be refined as necessary based upon current biological data at the time the APD or Sundry Notice is processed. It should eventually become a condition for approval in these permits.

The seasonal restriction section of the stipulation identifies three groups of species and delineates two similar timeframe restrictions. These two restrictions are big game ungulate and raptors/grouse. The big game ungulates including elk, moose, deer, antelope, and big horn sheep all require protection of crucial winter range between November 15 and April 30. Sage and sharp-tailed grouse and raptors such as eagles, accipiters, falcons, buteos, osprey, and burrowing owls, also require nesting protection during periods between February 1 and July 31.

The no surface occupancy section of the stipulation is intended for protection of unique wildlife and wildlife habitat values (e.g., sage grouse strutting grounds, known threatened and endangered species habitat, etc.) which cannot be protected using seasonal restrictions.

10/26/87
Date

Signature

[redacted] [redacted] [redacted]

# ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

In consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, David G. Franklin, 13917 Emelita Street, Van Nuys, California 91401, as Assignor, does hereby assign, transfer, sell and convey unto Buckhorn Energy & Land, P. O. Box 11145, Midland, Texas 79702 and 1/2 Alan Craig Noot, 605 North Brockton Lane, Minneapolis, Minnesota 55447, their heirs, successors and assigns, as Assignees an overriding royalty interest equal to an undivided 2/3 of Assignor's interest, effective as of date of first runs, of all of the oil, gas, other hydrocarbons, and all other minerals produced, saved, and sold from the lands set out in and covered by United States of America Oil and Gas Prospecting Permit, Evanston, Wyoming, Serial No. 018722, covering the following described land, to-wit:

Section 6: Lots 16-21, Township 28 North, Range 113 West
Section 7: Lots 5-16, Township 28 North, Range 113 West
Section 1: All, Township 28 North, Range 114 West
Section 32: SE/4, Township 29 North, Range 113 West,
of the 6th Principal Meridian, Sublette County, Wyoming.

Said overriding royalty interest shall be free from all development, production, marketing and operating expense; however, said interest shall bear and pay currently its portion of gross production taxes, pipeline taxes, and all other taxes assessed against the gross production subject to said overriding royalty interest.

The provisions of this assignment shall be binding upon all the heirs, successors, representatives and assigns of the Assignor and Assignees.

In witness whereof this instrument is executed on this 2nd day of December, 1987.

219324

RECORDED Dec. 28 AD 87 9:30 AM
IN BOOK 80 O & G PAGE 713
FEES $ 4.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: marie Riley

David G. Franklin

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

This instrument was acknowledged before me this 2nd day of December, 1987, by David G. Franklin.

My Commission Expires:

12/22/1990

Notary Public, State of California

OFFICIAL SEAL
ANDREAS BIRGELI JR
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires DEC 22, 1990

Printed Name

# CERTIFICATION OF CORPORATE SECRETARY

COMES NOW Kenneth L West, Secretary of Desert Oil Company, a Wyoming corporation, and hereby certifies that on the 26 day of October, 1987, at a special meeting of the Board of Directors of said corporation, duly called according to law, such Board unanimously adopted a resolution authorizing the transfer of all operating assets of the corporation relating to the retail sale of petroleum products to 4W Retail, Inc., a Wyoming corporation, which assets include the real property described in Exhibits A, B, C and D attached hereto and by this reference made a part hereof.

Kenneth L. West, as Secretary of the corporation, further certifies that the foregoing transfer of corporate assets to 4W Retail, Inc. has been consented to in writing by all of the shareholders of Desert Oil Company.

DATED this 26 day of October, 1987.

DESERT OIL COMPANY, a Wyoming corporation,

By Kenneth L West
Secretary

The State of Wyoming )
: ss.
County of Sweetwater )

The foregoing instrument was acknowledged before me by Kenneth L. West, to me known to be the Secretary of Desert Oil Company, a Wyoming corporation.

Witness my hand and official seal.

My commission expires:
~~AT THE PLEASURE OF THE COURT~~

219325

~~Notary Public~~
DISTRICT COURT COMMISSIONER

RECORDED Dec. 28 AD 87 9:30 A M
IN BOOK 80 O & G PAGE 714
FEES $ 12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

"Exhibit A"

A PIECE OR PARCEL OF UNPLATTED LAND SITUATE IN THE NORTHEAST QUARTER OF SECTION 25, TOWNSHIP 19 NORTH, RANGE 105 WEST OF THE 6TH PRINCIPAL MERIDIAN AND WITHIN THE CORPORATE LIMITS OF THE CITY OF ROCK SPRINGS, SWEETWATER COUNTY, WYOMING, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EAST-WEST CENTERLINE OF SAID SECTION 25, TOWNSHIP 19 NORTH, RANGE 105 WEST, SAID POINT OF BEGINNING BEING THE INTERSECTION OF THE WESTERLY BOUNDARY LINE OF RIGHT OF WAY OF ROCK SPRINGS MARGINAL INTERSTATE HIGHWAY NO. I-80 AND SAID EAST-WEST CENTERLINE OF SECTION 25, AND FROM WHENCE THE EAST QUARTER CORNER OF SAID SECTION 25, TOWNSHIP 19 NORTH, RANGE 105 WEST BEARS SOUTH 89°36'33" EAST A DISTANCE OF 1,716.86 FEET; THENCE NORTH 89°36'33" WEST AND ALONG SAID EAST-WEST CENTERLINE OF SAID SECTION 25, A DISTANCE OF 67.08 FEET TO A POINT ON THE NORTHEASTERLY BOUNDARY RIGHT OF WAY LINE OF U. S. HIGHWAY NO. 30; THENCE NORTH 48°16' WEST ALONG SAID NORTHEASTERLY BOUNDARY RIGHT OF WAY LINE OF U. S. HIGHWAY NO. 30 A DISTANCE OF 250 FEET TO A POINT; THENCE NORTH 41°44' EAST A DISTANCE OF 241.87 FEET TO A POINT ON THE SAID WESTERLY RIGHT OF WAY BOUNDARY LINE OF ROCK SPRINGS MARGINAL INTERSTATE HIGHWAY NO. I-80; THENCE SOUTH 14°55'53" EAST AND ALONG SAID WESTERLY RIGHT OF WAY LINE OF INTERSTATE NO. I-80 HIGHWAY A DISTANCE OF 359.52 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL CONVEYED TO THE STATE HIGHWAY COMMISSION OF WYOMING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PROPERTY FORMERLY OWNED BY THE UNION PACIFIC COAL COMPANY IN SOUTH HALF (S/2) SECTION 23, SOUTHWEST QUARTER (SW/4) SECTION 24 and NORTH HALF (N/2) SECTION 25, TOWNSHIP 19 NORTH, RANGE 105 WEST OF THE SIXTH PRINCIPAL MERIDIAN. A STRIP OF LAND FIFTY (50) FEET IN WIDTH LOCATED IN SOUTH HALF (S/2) SECTION 23, THE SOUTHWEST QUARTER (SW/4) OF SECTION 24 AND THE NORTH HALF (N/2) OF SECTION 25, ALL IN TOWNSHIP 19 NORTH, RANGE 105 WEST OF THE SIXTH PRINCIPAL MERIDIAN, IN SWEETWATER COUNTY, WYOMING, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH BOUNDARY OF THE NORTHEAST QUARTER (NE/4) OF THE ABOVE-MENTIONED SECTION 25 FROM WHENCE THE EAST QUARTER (E/4) CORNER BEARS SOUTH 89°36'33" EAST A DISTANCE OF 1716.86 FEET; THENCE NORTH 89°36'33" WEST A DISTANCE OF 51.84 FEET; THENCE NORTH 14°55'53" WEST A DISTANCE OF 919.93 FEET; THENCE ON A CIRCULAR CURVE TO THE RIGHT, WHOSE RADIUS IS 50.0 FEET, TANGENT TO THE LAST DESCRIBED COURSE, THROUGH A CENTRAL ANGLE OF 90°00' A DISTANCE OF 78.54 FEET TO A POINT; THENCE NORTH 17°42'30" WEST A DISTANCE OF 500.85 FEET; THENCE ON A CIRCULAR CURVE TO THE LEFT, WHOSE RADIUS IS 2875.23 FEET, TANGENT TO THE LAST DESCRIBED COURSE, THROUGH A CENTRAL ANGLE OF 37°15'20" A DISTANCE OF 1869.54 FEET; THENCE NORTH 54°57'50" WEST A DISTANCE OF 2720.66 FEET; THENCE ALONG A CIRCULAR CURVE TO THE LEFT, WHOSE RADIUS IS 2875.23 FEET, TANGENT TO THE LAST DESCRIBED COURSE, THROUGH A CENTRAL ANGLE OF 53°06'27" A DISTANCE OF 2665.05 FEET TO A POINT; THENCE NORTH 18°04'17" WEST A DISTANCE OF 50.0 FEET TO A POINT; THENCE ALONG A CIRCULAR CURVE TO THE RIGHT, WHOSE RADIUS IS 2925.23 FEET, TANGENT TO A LINE WHICH BEARS NORTH 71°55'43" EAST, THROUGH A CENTRAL ANGLE OF 53°06'27" A DISTANCE OF 2711.40 FEET; THENCE SOUTH 54°57'50" EAST A DISTANCE OF 2720.66 FEET; THENCE ALONG A CIRCULAR CURVE TO THE RIGHT, WHOSE RADIUS IS 2925.23 FEET, TANGENT TO THE LAST DESCRIBED COURSE, THROUGH A CENTRAL ANGLE OF 37°15'20" A DISTANCE OF 1902.05 FEET; THENCE SOUTH 17°42'30" EAST A DISTANCE OF 551.55 FEET; THENCE SOUTH 72° 17'30" WEST A DISTANCE OF 50.0 FEET; THENCE SOUTH 14°55'53" EAST A DISTANCE OF 933.63 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND AS CONVEYED BY DEED FROM UNION PACIFIC RAILROAD COMPANY TO STATE HIGHWAY COMMISSION OF WYOMING DATED AUGUST 13, 1964, RECORDED DECEMBER 7, 1964 IN BOOK 326, Page 27.

"Exhibit B"

A PIECE OR PARCEL OF LAND, LYING IN THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 19 NORTH, RANGE 105 WEST OF THE 6TH P.M. AND WITHIN THE CITY OF ROCK SPRINGS, WYOMING, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT LOCATED SOUTHEASTERLY AT A RIGHT ANGLE A DISTANCE OF 55 FEET FROM A POINT ON THE NORTHERLY BOUNDARY LINE OF BLOCK 9, ORIGINAL TOWN OF ROCK SPRINGS, WYOMING, EXTENDED NORTHEASTERLY A DISTANCE OF 321 FEET FROM THE NORTHEAST CORNER OF THE SAID BLOCK 9; THENCE NORTHEASTERLY ALONG A LINE PARALLEL WITH AND 55 FEET SOUTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHERLY LINE OF BLOCK 9 PRODUCED, A DISTANCE OF 59 FEET; THENCE SOUTHEASTERLY AT A RIGHT ANGLE TO THE LAST DESCRIBED COURSE A DISTANCE OF 60 FEET; THENCE SOUTHWESTERLY AT A RIGHT ANGLE TO THE LAST DESCIRBED COURSE, A DISTANCE OF 59 FEET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO THE LAST DESCRIBED COURSE A DISTANCE OF 60 FEET TO THE POINT OF BEGINNING.

AND

A PARCEL OR TRACT OF LAND SITUATE IN THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 19 NORTH, RANGE 105 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND WITHIN THE CITY OF ROCK SPRINGS, WYOMING, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY BOUNDARY LINE OF BLOCK 9, ORIGINAL TOWN OF ROCK SPRINGS, WYOMING, EXTENDED NORTHEASTERLY A DISTANCE OF 321 FEET FROM THE NORTHEAST CORNER OF THE SAID BLOCK 9, THENCE NORTHEASTERLY ON THE EXTENSION OF THE NORTHERLY BOUNDARY LINE OF SAID BLOCK 9 A DISTANCE OF 59 FEET; THENCE SOUTHEASTERLY AT A RIGHT ANGLE, A DISTANCE OF 55 FEET TO A POINT; THENCE SOUTHWESTERLY AT A RIGHT ANGLE A DISTANCE OF 59 FEET TO A POINT; THENCE NORTHWESTERLY A DISTANCE OF 55 FEET TO THE POINT OF BEGINNING.

AND

A PARCEL OR TRACT OF LAND, SITUATE IN THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 19 NORTH, RANGE 105 WEST OF THE 6TH P.M., AND WITHIN THE CITY OF ROCK SPRINGS, WYOMING, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY BOUNDARY LINE OF BLOCK 9, ORIGINAL TOWN OF ROCK SPRINGS, WYOMING, EXTENDED NORTHEASTERLY A DISTANCE OF 321 FEET FROM THE NORTHEAST CORNER OF THE SAID BLOCK 9; THENCE SOUTHEASTERLY AT A RIGHT ANGLE TO THE SAID NORTHERLY LINE OF BLOCK 9 A DISTANCE OF 125.33 FEET; THENCE SOUTHWESTERLY AT A RIGHT ANGLE A DISTANCE OF 0.50 FEET MORE OR LESS TO THE EASTERLY LINE OF THE WEST THEATER BUILDING, THENCE NORTHWESTERLY ALONG THE EASTERLY LINE OF THE SAID THEATER BUILDING A DISTANCE OF 125.33 FEET; THENCE NORTHEASTERLY, ALONG THE NORTHERLY LINE OF THE SAID BLOCK 9 PROLONGED, A DISTANCE OF 0.50 FEET MORE OR LESS TO THE POINT OF BEGINNING.

AND

A PARCEL OR TRACT, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT LOCATED SOUTHEASTERLY AT A RIGHT ANGLE A DISTANCE OF 126.94 FEET FROM A POINT ON THE NORTHERLY BOUNDARY LINE OF BLOCK 9, ORIGINAL TOWN OF ROCK SPRINGS, WYOMING, EXTENDED NORTHEASTERLY A DISTANCE OF 380 FEET FROM THE NORTHEAST CORNER OF SAID BLOCK 9; THENCE SOUTHWESTERLY, ALONG THE NORTHWESTERLY RIGHT OF WAY LINE OF THE UNION PACIFIC RAILROAD COMPANY'S SWEETWATER NO. 2 BRANCH, A DISTANCE OF 54.54 FEET, THENCE NORTHWESTERLY, ALONG A LINE WHICH IS AT A RIGHT ANGLE TO THE NORTHERLY LINE EXTENDED, OF THE SAID BLOCK 9, A DISTANCE OF 9.27 FEET; THENCE SOUTHWESTERLY AT A RIGHT ANGLE A DISTANCE OF 5 FEET; THENCE NORTHWESTERLY AT A RIGHT ANGLE A DISTANCE OF 10.33 FEET, THENCE NORTHEASTERLY AT A RIGHT ANGLE A DISTANCE OF 59 FEET; THENCE SOUTHWESTERLY AT A RIGHT ANGLE A DISTANCE OF 11.94 FEET TO THE POINT OF BEGINNING.

"Exhibit C"

A piece, parcel or tract of land lying in the Southwest Quarter of Section 34, Township 19 North, Range 105 West of the 6th Principal Meridian, within the City limits of Rock Springs, Sweetwater County, Wyoming, being more particularly described as follows:

Beginning at a point located on the Southerly right of way line of ramp "A" off Interstate 80, said point being North 33°34'13" East a distance of 682.22 feet from the Southwest corner of said Section 34; thence South 23°34'18" West a distance of 99.83 feet to a point on the Northerly right of way line of U.S. Highway 30 (Frontage Road); thence along said right of way line along an arc of a 2°31'15" curve to the left, thru a central angle of 3°55'56" a distance of 155.99 feet; thence North 72°45'19" West along said right of way line a distance of 3.83 feet to the beginning of a 0°59'25" curve to the left; thence along said curve through a central angle of 1°01'18" a distance of 103.17 feet; thence North 17°30'14" East a distance of 220.01 feet to a point on the Southerly right of way line of said ramp "A"; thence South 48°04'12" East along said right of way line a distance of 299.81 feet to the point of beginning, together with all improvements thereon, and easements, appurtenances and incidents belonging or appertaining thereto, or used in connection therewith; subject, however, to all mining, mineral and other exceptions, reservations, covenants, conditions and rights of way of record.

"Exhibit D"

The SW¼ of Block 2, Cooley First Addition to the Town of Pinedale, Sublette County, Wyoming, more particularly described as that tract of land embraced within and bounded by survey, the initial point whereof is the SW corner of Block 2, Cooley First Addition to the Town of Pinedale, Wyoming, from which initial point proceed East along the South line of said Block 2 for a distance of 125 feet to a point; thence proceed North for a distance of 125 feet to a point; thence proceed West for a distance of 125 feet to a point; thence proceed South along the West line of said Block 2 to the point of beginning, together with all improvements thereon, and easements, appurtenances and incidents belonging or appertaining thereto, or used in connection therewith; subject, however, to all mining, mineral and other exceptions, reservations, covenants, conditions and rights of way of record.

[redacted] [redacted]

WY-307, [redacted] ield
Federal 42-11

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ENERGETICS OPERATING COMPANY, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. This Assignment is made without representation or warranty of title, either express or implied.

4. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

5. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

219362

RECORDED Dec. 31 19 87 10:30 AM
IN BOOK 80 O&G PAGE 719
FEES $14.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mary Riley

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of May 1, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz
Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson
~~Joseph C. Mencin~~
~~Agent and Attorney in Fact~~ and
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLO.

ASSIGNEES

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS LIMITED

By:_____

ATTEST:

DAKEL COMPANY

By:_____ By:_____

ENERGY ASSOCIATES N.W. 1978-A

By:_____

ENERGETIC 1978 LIMITED PARTNERSHIP, BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

ATTEST:

By:_____ By:_____
Lou Switzer, Assistant Secretary J. Thomas Reagan, President

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

BACKER RESOURCES, INC.

By: Kenneth D. Willis By: D Mercier
DAVID M. MERCIER

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By:_____

[redacted] [redacted] [redacted]

ATTEST:

By:_____

ATTEST:

By:_____

SPACE RESOURCES, INC.

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ATTEST:

By:_____

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

ACKNOWLEDGEMENTS

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF CO

Tom G. Griffith
Notary Public

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202

EXHIBIT "A"

EXHIBIT "A" TO THAT ASSIGNMENT DATED MAY 1, 1984
FROM ENERGETICS OPERATING COMPANY TO ASSIGNEES LISTED THEREIN.

| ASSIGNEES | PERCENTAGE OF OWNERSHIP |
|---|---|
| **Energy Associates N. W. 1978-A**<br>**Suite #1215 Norton Building**<br>**801-2nd Avenue**<br>**Seattle, Washington 98104** | **1.5000%** |
| **Energetics 1978 Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | **13.9000%** |
| **Boettcher Management 1978 Drilling Program**<br>**828-17th street**<br>**P. O. Box 54**<br>**Denver, Colorado 80202** | **7.5000%** |
| **D&R Energy Program 1978**<br>430 International Centre<br>900 Second Avenue South<br>**Minneapolis, Minnesota 55416** | **5.0250%** |
| **Burton G. Ross, Trustee for the Toni Rosen Trust 1978**<br>808 Nicollet Mall, Suite 500<br>**Minneapolis, Minnesota 55402** | **.6000%** |
| **Space Resources, Inc.**<br>**444 Lafayette Road**<br>**St. Paul, Minnesota 55101** | **4.1250%** |
| **Backer Resources, Inc.**<br>~~P. O. Box 10354~~ 100-455 Granville St.,<br>~~1040-609 Granville Street~~ Vancouver, B.C. Canada<br>~~Vancouver, B.C. Canada V7Y-1G5~~ V6C 1T1 | **24.0000%** |
| **Energetics 1978-B Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | **5.0000%** |
| **Robert L. Mehl**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **5.3098%** |
| **Patrick D. Maher**<br>13275 E. Fremont Place, Suite 203<br>**Englewood, Colorado 80112** | **5.3098%** |
| **Jordan R. Smith**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **2.8912%** |
| * **Energetics, Inc. a Delaware corporation**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | **16.8000%** |
| **Rocky Mountain Oilfinders, Inc.**<br>6060 S. Willow Drive #3112<br>**Englewood, Colorado** 80111-5112 | **.3892%** |
| **Guaranty Capital Investors Ltd.**<br>**200 Transwestern II Building**<br>**P. O. Box 31515**<br>**Billings, Montana 59107-1515** | **6.6947%** |
| **Dakel Company**<br>P.O. Box 2187, Loop Station<br>Mi[redacted]lis, Minnesota 55402 | **.9553%** |

EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective May 1, 1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4, NE¼<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the base of the Almy formation down to all depths. | Not Available |

723

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

[redacted] [redacted] [redacted]

WY-307, Russ Field

# ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Avenue, Suite 133, Englewood, CO 80111 ("ASSIGNOR"), does hereby bargain, sell, assign, transfer and convey unto the Assignees ("ASSIGNEE") listed on Exhibit "A" attached hereto and made a part hereof, in the percentages set out beside the respective ASSIGNEES, to the extent indicated on Exhibit "A" that percentage of interests in and to the Oil and Gas Leases described on Exhibit "B", attached hereto and made a part hereof.

THIS ASSIGNMENT is made and shall in all respects be subject to the following:

1. The terms and provisions of said Oil and Gas Leases, including the landowner's royalties therein reserved, the proportionate burden of which shall be assumed and borne by ASSIGNEE.

2. The overriding royalty interests, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE, and an overriding royalty due Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment.

3. Those contracts, agreements and other assignments, be they recorded or unrecorded, set forth on Exhibit "C", attached hereto and made a part hereof.

4. This Assignment is made without representation or warranty of title, either express or implied.

5. This Assignment shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, and the terms, provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate in the leases described on Exhibit "B".

6. ASSIGNOR agrees where necessary to execute separate assignments of interest to effect transfer of title and to satisfy legal requirements and separate assignments on approved forms by or on behalf of ASSIGNOR to ASSIGNEE in sufficient counterparts to satisfy applicable statutory and regulatory requirements.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of April 30, 1984, and if executed by less than all of the ASSIGNEES, is still in full force and effect as to those ASSIGNEES executing this Agreement.

ENERGETICS OPERATING COMPANY

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

By: Donald L. Peterson

~~Joseph C. Menefin~~
~~Agent and Attorney-in-Fact~~
Donald L. Peterson, President

ENERGETICS OPERATING COMPANY CORPORATE SEAL COLO.

219363

RECORDED Dec. 31 IN 87 10:30 A M
IN BOOK 80 O&G PAGE 725
FEES $ 20.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

ASSIGNEES

ATTEST:

ENERGETICS 1979 YEAR-END LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

By:_____

D&R ENERGY PROGRAM 1979 YEAR-END

By:_____

ENERGY ASSOCIATES N.W. 1978-A

By:_____

ATTEST:

ENERGETICS 1978 LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

By:_____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By:_____

ATTEST:

D&R ENERGY PROGRAM 1978

By:_____

TONI ROSEN TRUST 1978

By:_____
Burton G. Ross, Trustee

ATTEST:

SPACE RESOURCES, INC.

By:_____

By:_____

ATTEST:

BACKER RESOURCES, INC.

By: Kenneth D. Willis

By: D M Mercier
DAVID M. MERCIER PRESIDENT

[redacted] [redacted] [redacted]

ATTEST:

By:_____

ENERGETICS 1978-B LIMITED PARTNERSHIP BY
ENERGY ASSOCIATES, INC., GENERAL PARTNER

By:_____

ROBERT L. MEHL

_____

PATRICK D. MAHER

_____

JORDAN R. SMITH

_____

ENERGETICS, INC., a Delaware corporation

By:_____
Joseph C. Mencin
Agent and Attorney-in-Fact

ATTEST:

ROCKY MOUNTAIN OILFINDERS, INC.

By:_____

By:_____

J. E. BRAAS

_____

KENT R. ELLISON

_____

DOUGLAS H. SMITH

_____

GUARANTY CAPITAL INVESTORS LIMITED

By:_____



727

ATTEST:

DAKEL COMPANY

By:_____

By:_____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom Q. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

COUNTY OF COLORADO )
)ss
STATE OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1979 Year-End Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

COUNTY OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged by me this ____ day of _____, 1985, by _____, President of Energy Associates, Inc., General Partner, on behalf of Energetics 1978 Limited Partnership, a Colorado partnership.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residing at:_____
_____

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, eff. April 30, 1984, between Energetics Operating Company and Energetics 1979 Year-End Limited Partnership, et al.

| | |
|---|---|
| * Energetics 1979 Year-End Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 17.82000000% |
| D&R Energy Program 1979 Year-End<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 10.35000000% |
| Energy Associates N.W. 1978-A<br>Suite #1215 Norton Building<br>801-2nd Avenue<br>Seattle, Washington 98104 | .60000000% |
| Energetics 1978 Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 5.56000000% |
| Boettcher Management 1978 Drilling Program<br>828-17th Street<br>P. O. Box 54<br>Denver, Colorado 80202 | 3.00000000% |
| D&R Energy Program 1978<br>430 International Centre<br>900 Second Avenue South<br>Minneapolis, Minnesota 55416 | 2.01000000% |
| Burton G. Ross, Trustee for the<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .24000000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | 1.650000000% |
| Backer Resources, Inc.<br>~~P. O. Box 10354~~ 100-455 Granville St.,<br>~~1040-609 Granville Street~~ Vancouver, B.C.,Canada<br>~~Vancouver, B.C. Canada V7Y 1G5~~ V6C 1T1. | 9.60000000% |
| Energetics 1978-B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | 2.00000000% |
| Robert L. Mehl<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 2.12392000% |
| Patrick D. Maher<br>13275 E. Fremont Place, Suite 203<br>Englewood, Colorado 80112 | 2.12392000% |
| Jordan R. Smith<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.15648000% |

* SEE RIDER ATTACHED.

| | |
|---|---|
| * Energetics, Inc., a Delaware corporation<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 22.35000000% * |
| Rocky Mountain Oilfinders, Inc.<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .15568000% |
| J. E. Brass<br>7970 Wallace Road<br>Eden Prairie, Minnesota 55344 | .12929544% |
| Kent R. Ellison<br>711 Vanadlia Street<br>St. Paul, Minnesota 55114 | .12929544% |
| Douglas H. Smith<br>3953 Meadowbrook Road<br>St. Louis Park, Minnesota 55429 | .08619696% |
| Guaranty Capital Investors, Ltd.<br>200 Transwestern II Building<br>P. O. Box 31515<br>Billings, Montana 59107-1515 | 18.53521216% |
| Dakel Company<br>P. O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .38000000% |

* SEE RIDER ATTACHED.

EXHIBIT "B"

Exhibit "B" to that certain Assignment of Oil and Gas Leases, dated effective April 30,1984, from Energetics Operating Company, Assignor, to Energetics, Inc., et al, Assignee.

| LEASE NO. | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDING BOOK/PAGE |
|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West<br>Section 11: N/2SE/4<br>Section 12: NW/4SW/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the baee of the Almy formation. | Not Available |

EXHIBIT "C"

Attached to and made a part of that certain Assignment of Oil and Gas Leases dated effective April 30, 1984, by and between Energetics Operating Company, Assignor, and Energetics, Inc., et al, Assignee.

1. Farmout Agreement dated May 1, 1980, by and between Energetics 1978 Limited Partnership, et al, Farmor and MM&S Partners, Farmee.

RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| | | Sublette County, Wyoming RECORDING INFORMATION | | |
|---|---|---|---|---|
| ASSIGNOR | ASSIGNEE | DATE | BOOK | PAGE |
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

734

Federal 42-11
WY-307

# ASSIGNMENT OF OVERRIDING ROYALTY TO MULTIPLE ASSIGNEES

KNOW ALL MEN BY THESE PRESENTS:

THAT, the undersigned, Energetics Operating Company, a Colorado corporation, 7951 E. Maplewood Ave., Ste 133, Englewood, Co 80111 (hereinafter referred to as "ASSIGNOR") for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter collectively referred to as "ASSIGNEE") as set out beside their respective names, an undivided overriding royalty interest free and clear of all cost and expense of development and operations, except taxes applicable to said interest from the production therefrom. Said overriding royalty interest shall be a total of 6.25% of 8/8ths of all revenue payable from the production of all oil, gas, casinghead gas and other hydrocarbon substances produced, saved and marketed from the oil and gas leases described in Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover those lands situated in Sublette County, Wyoming.

219362

RECORDED Dec. 31 RE 87 10:30 AM
IN BOOK 80 of G PAGE 734
FEES $ 16.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Ridley

| | |
|---|---|
| * Energetics Inc., a Delaware corp.<br>102 Inverness Terrace East<br>Englewood, Colorado 80112 | 1.0500000% |
| Energy Associates N.W. '78-B<br>1215 Norton Building<br>801 - 2nd Avenue<br>Seattle, Washington 98104 | .0937500% |
| Burton G. Ross, Trustee<br>Toni Rosen Trust 1978<br>808 Nicollet Mall, Suite 500<br>Minneapolis, Minnesota 55402 | .0375000% |
| Space Resources, Inc.<br>444 Lafayette Road<br>St. Paul, Minnesota 55101 | .257813% |
| Backer Resources, Inc.<br>~~P.O. Box 10354~~ 100-455 Granville St.,<br>~~1040-609 Granville Street~~ Vancouver, B.C. Canada<br>~~Vancouver, B.C., Canada V7Y 1G5~~ V6C 1T1 | 1.5000000% |
| Energetics 1978B Limited Partnership<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .3125000% |

* SEE RIDER ATTACHED.

[redacted] [redacted] [redacted]

| | |
|---|---|
| **Robert L. Mehl**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | .3318620% |
| **Patrick D. Maher**<br>13275 E. Fremont Place, Suite 203<br>**Englewood, Colorado 80112** | .3318620% |
| **Jordan R. Smith**<br>102 Inverness Terrace East<br>**Englewood, Colorado 80112** | .1807000% |
| **D & R Energy Program 1978**<br>430 International Centre<br>900 Second Avenue South<br>**Minneapolis, Minnesota 55416** | .3140630% |
| **Boettcher Management 1978 Drilling Program**<br>828 - 17th Street<br>Denver, Colorado 80201 | .4687500% |
| **Energetics 1978 Limited Partnership**<br>1300 Main Street, Suite 512<br>Houston, Texas 77002 | .8687500% |
| **Dakel Company**<br>P.O. Box 2187, Loop Station<br>Minneapolis, Minnesota 55402 | .0597050% |
| **Guaranty Capital Investors, Ltd.**<br>200 Transwestern II Building<br>P.O. Box 31515<br>Billings, Montana 59107-1515 | .4184200% |
| **Rocky Mountain Oilfinders, Inc.**<br>6060 S. Willow Drive, #3112<br>Englewood, Colorado 80111-5112 | .0243250% |

TO HAVE AND TO HOLD the interest transferred and assigned unto Assignee, its heirs, devisees, personal representatives, successors and assigns, forever subject only to the following terms and provisions:

1. The overriding royalty interest herein transferred is payable out of and only out of the oil and gas produced, saved and marketed pursuant to the terms and provisions of said leases or any extension or renewal thereof.

2. The overriding royalty interest herein provided for shall not, in any event, be paid or accrued upon any oil, gas, casinghead gas and other hydrocarbon substances used for operating, development or production purposes upon said lands or unavoidably lost; and no overriding royalty shall be paid upon gas used for repressuring or recycling operations or pressure maintenance operations benefitting said lands.

3. This Assignment of Overriding Royalty is made without warranty of title, either express or implied.

4. Assignor reserves the right, without consent of Assignee, to pool, unitize or otherwise combine all or any portion of said leases and the overriding royalty interest herein conveyed, with any other leases covering other lands in the vicinity thereof. In the event Assignor shall enter into any such pooling, unitization or other arrangement, Assignee's overriding royalty interest share shall be ascertained, computed and paid on the amount of production (or proceeds of sale thereof) allocated to said lands in accordance with such arrangement.

5. This Assignment of Overriding Royalty is made subject to the terms and conditions of the Farmout Agreement dated May 1, 1980, between Energy Associates N.W. '78 et al, as Farmor and MM&S Partners, et al as Farmees.

This instrument shall inure to the benefit of and be binding upon Assignor and Assignee, their successors and assigns.

IN WITNESS WHEREOF, this Assignment, although executed in multiple counterpart originals, is effective for all purposes as of the date of first production of the Federal #42-11 Well and if executed by less than all of the Assignees, is still in full force and effect only as to those Assignees executing this Assignment.

ATTEST:

Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

ENERGETICS OPERATING COMPANY

By Donald L. Peterson

~~Joseph C. Menein~~
~~Agent and Attorney In Fact~~
Donald L. Peterson, President

ENERGY ASSOCIATES N.W. '78-B

By _____

BURTON G. ROSS, TRUSTEE

By _____

SPACE RESOURCES, INC.

By _____

BACKER RESOURCES, INC.

By _____
DAVID M. MERCIER PRESIDENT

ENERGETICS 1978B LIMITED PARTNERSHIP

By _____

ROBERT L. MEHL

By _____

PATRICK D. MAHER

By _____

JORDAN R. SMITH

By _____

D & R ENERGY PROGRAM 1978

By _____

BOETTCHER MANAGEMENT 1978 DRILLING PROGRAM

By _____

ENERGETICS 1978 LIMITED PARTNERSHIP

By _____

DAKEL COMPANY

By _____

ENERGETICS, INC., a Delaware corporation

By: _____
Joseph C. Mencin, Agent and Attorney-in-Fact

GUARANTY CAPITAL INVESTORS, LTD.

By _____

ROCKY MOUNTAIN OILFINDERS, INC.

By _____

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

Tom G. Griffith
678 East 4th Ave. #4
Denver, CO 80202
Notary Public

STATE OF COLORADO )
)ss
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this ____ day of _____, 1984, by Joseph C. Mencin, Agent and Attorney-in-Fact of ENERGETICS, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires:

_____

_____
Notary Public

Residence: _____

_____

Exhibit "A"

Attached to and made a part of the certain Assignment of Overriding Royalty by and between Energetics Operating Company and Energetics, Inc., a Delaware corporation, et al.

| | | | | | | |
|---|---|---|---|---|---|---|
| #12445 | W-65390 | Energetics, Inc. | 12/1/78 | Insofar and only insofar<br>Township 27 North, Range 111 West<br>Section 11: NE/4<br>Sublette County, Wyoming<br>Limited in depth from the surface of the ground to the base of the Almy Formation. | Book 64 | Page 675 |

137

# RIDER

It is the intent of the parties hereto that the interest being conveyed herein to Energetics, Inc., a Delaware corporation is the same interest and shall not be construed as being in conflict with or in addition to the interests which were represented under those "Assignment, Bill of Sale, Conveyance and Power of Attorney" which are described as follows:

| ASSIGNOR | ASSIGNEE | Sublette County, Wyoming RECORDING INFORMATION DATE | BOOK | PAGE |
|---|---|---|---|---|
| Energetics '79 Year-End A Limited Partnership | Energetics, Inc. | 3/28/83 | 42 | 377 |
| MM&S Partners | Energetics, Inc. | 3/21/83 | 42 | 417 |
| Burton G. Ross, Trustee for Darryl P. Ekstrom 1979YE | Energetics, Inc. | 3/28/83 | 42 | 278 |

[redacted] [redacted]

WY-264 [redacted] 11104
Federal 30-23

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1985

Lease Serial No.
W-36422

Lease effective date
October 1, 1972

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name

Burton G. Ross, Trustee Toni Rosen 1978 Trust

Address *(include zip code)*
Ross, Faulken & Rosenblatt, Ltd.
808 Nicollet Mall, Suite 500
Minneapolis, Minnesota 55402

The undersigned, as owner of 24.26683 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

Township 27 North, Range 111 West, 6th P.M. - Tract I
Section 22: N/2
Section 25: W/2, SE/4

Limited in depth from the surface of the ground to the base of the stratigraphic equivalent of a depth of 11,750 feet as penetrated by the Federal #30-23 well in Section 23, T27N-R111W, 6th P.M.

Township 27 North, Range 111 West, 6th P.M. - Tract II
Section 23: All
Section 26: All

Limited in depth from the base of the stratigraphic equivalent of a depth of 5,500 feet to the base of the stratigraphic equivalent of a depth of 11,750 feet as penetrated by the Federal 30-23 well in Section 23, T27N-R111W, 6th P.M.

Containing 2,080.00 acres mor or less in Sublette County, Wyoming.

THIS ASSIGNMENT is made subject to all terms, conditions and provisions of that certain Farmout Agreement dated November 3, 1978, by and between True Oil Company, as Farmor, and Energetics, Inc., as Farmee.

THIS ASSIGNMENT is made and shall in all respects be subject to those provisions on the attached Rider.

| | |
|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | .360000% |
| 4. Specify interest or percent of operating rights being retained by assignor | 23.90683% |
| 5. Specify overriding royalty interest being reserved by assignor | None |
| 6. Specify overriding royalty previously reserved or conveyed, if any | 1.2% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of Octobr, 1987.

ENERGETICS OPERATING COMPANY

Donald L. Peterson

(Assignor's Signature)

Donald L. Peterson, President

ATTEST: Suzanne R. Kalutkiewicz

Suzanne R. Kalutkiewicz, Secretary

7951 E. Maplewood Ave., Suite 133

(Assignor's Address)

Englewood, Colorado 80111
(City) (State) (Zip Code)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1987

By Fred O'Farrell
(Authorized Officer)

Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

741

SUPERVISORY LAND LAW EXAMINER

DEC 23 1987

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this assignment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United States; or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 22nd day of October, 1987.

BURTON G. ROSS, TRUSTEE FOR TONI ROSEN 1978 TRUST

(Assignee's Signature)

808 Nicollet Mall, Suite 500

(Assignee's Address)

Minneapolis, Minnesota 55402

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – Tne information is to be used to process the assignment and request for approval.

ROUTINE USES:

(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106.3(c)).
This [redacted] d to create a record of leas[redacted]
Re[redacted] required to obt[redacted] benefit.
[redacted]

[redacted] [redacted] [redacted]

KIDLK

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985.

219381

RECORDED Jan 4 19 88 10:30 A.M.
IN BOOK 80 O&G PAGE 741
FEES $8.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

TOM G. GRIFFITH NOTARY PUBLIC STATE OF COLORADO

My commission expires: June 29, 1989

Tom G. Griffith
Notary Public
678 East 4th Ave. #4
Denver, CO 80202

---

STATE OF .....
COUNTY OF .....
ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this..... day of....., 19....., personally appeared.....

and.....

....., to me known to be the identical person....., described in and who executed the within and foregoing instrument of writing and acknowledged to me that.....duly executed the same as.....free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires ..... 743 ..... Notary Public.

744

WY-263 11102

Form 3120-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0011
Expires: August 31, 1985

Lease Serial No.
W-54136

Lease effective date
April 1, 1976

# TRANSFER, ASSIGNMENT, OR SUBLEASE OF OPERATING RIGHTS IN OIL AND GAS LEASE

PART I

1. Assignee's Name
Burton G. Rosen Ross, Trustee for Toni ~~Rossen~~ 1978 Trust

Address *(include zip code)*
c/o Ross, Faulken & Rosenblatt, Ltd.
808 Nicollet Mall, Suite 500
Minneapolis, MN 55402

The undersigned, as owner of * percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 3101.2-3 or 3101.1-4)

* TRACTS I & II: 11.514651 TRACT III: 19.191085

219382

TRACT I: Township 27 North, Range 111 West, 6th P.M.
Section 15: SE/4
Containing 160.00 acres, more or less

TRACT II: Township 27 North, Range 111 West, 6th P.M.
Section 14: All
Containing 640.00 acres, more or less

TRACT III: Township 27 North, Range 111 West, 6th P.M.
Section 15: SW/4
Containing 160.00 acres, more or less

All in Sublette County, Wyoming

RECORDED Jan. 4 19 88 10:30 AM
IN BOOK 80 O&G PAGE 744
FEES $ 8.00 Mary C. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Marie Riley

Limited in depth from the surface of the ground to the stratigraphic equivalent of a depth of 11,694 feet as penetrated by the Federal #30-15 Well located in Section 15, Township 27 North, Range 111 West, 6th P.M.

This Assignment is made subject to that Communitization Agreement, dated June 1, 1982, approved June 23, 1982, and effective as of December 10, 1981, by Minerals Management Service, recorded in Book 65, Page 395, in Sublette County, Wyoming.

THIS ASSIGNMENT is made and shall in all respects be subject to those provisions on the attached Rider.

| | TRACT I | TRACT II | TRACT III |
|---|---|---|---|
| 3. Specify interest or percent of operating rights being conveyed to assignee | .360000% | .360000% | .600000% |
| 4. Specify interest or percent of operating rights being retained by assignor | 11.154651% | 11.154651% | 18.591085% |
| 5. Specify overriding royalty interest being reserved by assignor | NONE | NONE | NONE |
| 6. Specify overriding royalty previously reserved or conveyed, if any | ** 7.0% | 6.2% | 12.2% |

7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

** TRACT I: 12.25% out of which the interest being assigned bears only 7.0%.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of October, 1987.

ENERGETICS OPERATING COMPANY

By: Donald L. Peterson
(Assignor's Signature)
Donald L. Peterson, President

7951 E. Maplewood Avenue, Suite 133
(Assignor's Address)

Suzanne K. Kalutkiewicz
Suzanne K. Kalutkiewicz, Secretary

Englewood, Colorado 80111
(City) (State) (Zip Code)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1987

By Fred O'Farrell
(Authorized Officer)

Approval does not warrant that either party to this tra[redacted] legal or equitable title to this [redacted] [redacted] MANDATORY LAND LAW [redacted] 3 1987

## PART II

### ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 3100.0–5(b)) in this a signment are:

1. Citizens of the United States or qualified alien stockholders in a domestic corporation; association of the United State or any State or Territory thereof; or municipalities.
2. Of the age of majority in the State where the lands to be assigned are located.
3. In compliance with the acreage limitation set forth in 43 CFR 3101.1–5 and 3101.2–4.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by t authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease describ herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operatio on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maint such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigne knowledge and belief and are made in good faith.

Executed this 30th day of October, 1987.

BURTON G. ROSS, TRUSTEE FOR TONI ROSEN 1978 TRUST

(Assignee's Signature)

808 Nicollet Mall, Suite 500

(Assignee's Address)

Minneapolis, Minnesota 55402

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the Unite States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. $25.00 nonrefundable filing fee *must* accompany this assignme File assignment within ninety (90) days *after* date of fin execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, approved, takes effect on the first day of the month followi the date of filing of *all* required papers. If an operator's bo is required, it *must* be furnished prior to approval of t assignment.

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to ain a benefit.

RIDER

1. Any and all reservations of overriding royalty interest and/or net profits interest, be they recorded or unrecorded as of the date of execution of this Assignment, the proportionate burdens of which shall be assumed and borne by ASSIGNEE; an overriding royalty due Energetics employees under certain royalty participation plans, including Energetics Royalty Corporation, which overriding royalty may or may not be of record as of the date of execution of this Assignment; and any and all other agreements which would affect the title to the leases described on Exhibit "A".

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 20, 1985.

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 1st day of October, 1987, by Donald L. Peterson, as President, for ENERGETICS OPERATING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

TOM G. GRIFFITH NOTARY PUBLIC STATE OF C

Tom G. Griffith Notary Public
678 East 4th Ave. #4
Denver, CO 80202

---

STATE OF .....
COUNTY OF ..... } ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this.....

day of....., 19....., personally appeared.....

and.....

....., to me known to be the identical person....., described in and who executed the within and foregoing instrument of writing and acknowledged to me that.....duly executed the same as.....free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My C[redacted]pires..... [redacted] y Public

[redacted]

Form 3100-11
(April 1986)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. W-107069

# OFFER TO LEASE AND LEASE FOR OIL AND GAS

The undersigned (reverse) offers to lease all or any of the lands in item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 OP. Atty. Gen. 41), or the

Read Instructions Before Completing

1. Name: Carla E. Salmon

Street: 2733 E. Wisconsin Avenue

City, State, Zip Code: Appleton, WI 54911

2. This offer/lease is for: (Check Only One) ☒ PUBLIC DOMAIN LANDS ☐ ACQUIRED LANDS (percent U.S. interest _____)

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested: _____

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CHEYENNE, WYOMING
1987 OCT 29 AM 9:03
RECEIVED

Future rental payments concerning this lease must be made payable and mailed to:

Minerals Management Service
RMP-Bonus and Rental Acct. System
P. O. Box 5640
Denver, CO 80217

3. Land included in lease:

| T. | R. | Meridian | State | County |
|---|---|---|---|---|
| T. 31 N., | R. 114 W., | 6th PM, | WY | Sublette |

sec. 13, N½, N½SW¼, SE¼SW¼, SE¼;
14, NW¼;
23, NE¼SW¼, S½SW¼;
24, SW¼;
25, W½E½, NW¼, SE¼SE¼.

219440

RECORDED Jan. 7 1988 9:45 AM
IN BOOK 80 o's G PAGE 747
FEES 12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY CLERK
By: Mary Riley

Total acres in lease 1400.00
Rental retained $ 1400.00

In accordance with the above offer, or the previously submitted simultaneous oil and gas lease application or competitive bid, this lease is issued granting the nonexclusive right to conduct oil and gas geophysical exploration, and the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (except helium) in the lands described in item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

Type and primary term of lease:

☒ Simultaneous noncompetitive lease (ten years)

☐ Regular noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____ ANDREW L. TARSHIS
(Signing Officer)

Chief, Leasing Section
(Title)

DEC 9 1987
(Date)

EFFECTIVE DATE OF LEASE JAN 1 1988

*(Formerly 3110-1, 2, 3, 3120-1, 7, 3130-4, 5, and 7)

005693I-000 Mason(01235)
Tear

FOR LESSEE
Tear

Tear

747

748

4 (a) Undersigned certifies that (1) offeror is a citizen of the United States; an association of such citizens, a municipality, or a corporation organized under the laws of the United States or of any State or Territory thereof, (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities, (3) offeror's chargeable interests, direct and indirect, in either public domain or acquired lands do not exceed 200,000 acres in oil and gas options or 246,080 acres in options and leases in the same State, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska, and (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer open to leasing at the time this offer was filed but omitted for any reason from this lease. The offeror further agrees that this offer cannot be withdrawn, either in whole or part, unless the withdrawal is received by the BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

**This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.**

SIGNATORY CERTIFIES COMPLIANCE WITH QUALIFICATIONS CONCERNING FED. LEASE HOLDINGS PROVIDED IN SECTION 2(a)(3)(A) OF THE MINERAL LEASING ACT

Duly executed this 28 day of October, 1987

X Carla O. Johnson

(Signature of Lessee or Attorney-in-fact)

## LEASE TERMS

Sec. 1. Rentals—Rentals shall be paid to proper office of lessor in advance of each lease year. Annual rental rates per acre or fraction thereof are:

(a) Simultaneous noncompetitive lease, $1.00 for the first 5 years, thereafter, $3.00,
(b) Regular noncompetitive lease, $1.00,
(c) Competitive lease, $2.00; or
(d) Other, see attachment.

If all or part of a noncompetitive leasehold is determined to be within a known geological structure or a favorable petroleum geological province, annual rental shall become $2.00, beginning with the lease year following notice of such determination. However, a lease that would otherwise be subject to rental of more than $2.00 shall continue to be subject to the higher rental.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), (c), or (d) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties—Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

(a) Simultaneous noncompetitive lease, 12½%,
(b) Regular noncompetitive lease, 12½%,
(c) Competitive lease, see attachment, or
(d) Other, see attachment.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty shall be due for any lease year after discovery in which royalty payments aggregate less than $1.00 per acre. Lessee shall pay such difference at end of lease year. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (96 Stat. 2447). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rule, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds—Lessee shall file and maintain any bond required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection—Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plats and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-ways. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium—Lessor reserves the option of extracting or having extracted helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract or sale of gas the provisions of this section.

Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity. Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation. Lessee shall also be subject to applicable provisions and penalties of FOGRMA (96 Stat. 2447). However, if this lease includes land known to contain valuable deposits of leased resources, it may be cancelled only by judicial proceedings. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time.

Sec. 14. Heirs and successors-in-interest—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

IN REPLY REFER TO:

3112
(923a)

# United States Department of the Interior

**Bureau of Land Management**
Wyoming State Office
P.O. Box 1828
Cheyenne, Wyoming 82003

NOTICE TO LESSEE

Provisions of tne Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201 (a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease, with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

Andrew L. Tarshis
Chief, Leasing Section

W- 107069

2. WILDLIFE STIPULATION

a. To protect important big game ungulate winter habitat, drilling and other surface disturbing activity will not be allowed during the period from November 15 to April 30 within certain areas encompassed by this lease. The same criteria applies to elk calving areas from the period of May 1 to June 30. This limitation does not apply to maintenance and operation of producing wells. Modifications to this limitation in any year may be approved in writing by the Authorized Officer.

GUIDANCE:

The WILDLIFE STIPULATION is intended to provide two basic types of protection, seasonal restriction (a and b) and no surface occupancy (c). A legal description will ultimately be required and should be measurable and legally definable. There are no minimum subdivision requirements at this time. The area delineated can and should be refined as necessary based upon current biological data at the time the APD or Sundry Notice is processed. It should eventually become a condition for approval in these permits.

The seasonal restriction section of the stipulation identifies three groups of species and delineates two similar timeframe restrictions. These two restrictions are big game ungulate and raptors/grouse. The big game ungulates including elk, moose, deer, antelope, and big horn sheep all require protection of crucial winter range between November 15 and April 30. Sage and sharp-tailed grouse and raptors such as eagles, accipiters, falcons, buteos, osprey, and burrowing owls, also require nesting protection during periods between February 1 and July 31.

The no surface occupancy section of the stipulation is intended for protection of unique wildlife and wildlife habitat values (e.g., sage grouse strutting grounds, known threatened and endangered species habitat, etc.) which cannot be protected using seasonal restrictions.

10-28-87
Date

Carla E. Salmon
Signature

W- 107069

1. SURFACE DISTURBANCE STIPULATION (used on all leases)

Surface disturbance will be prohibited in any of the following areas or conditions. Modifications to this limitation may be approved in writing by the Authorized Officer.

a. Slopes in excess of 25 percent.

b. Within important scenic areas (Class I and II Visual Resource Management areas).

c. Within 500 feet of surface water and/or riparian areas.

d. Within a quarter mile or visual horizon (whichever is closer) of significant sites along historic trails.

e. Construction with frozen material or during periods when the soil material is saturated, frozen, or when watershed damage is likely to occur.

GUIDANCE:

The SURFACE DISTURBANCE STIPULATION will be included on all BLM authorizations. The intent of this stipulation is to inform interested parties (potential lessees, permittees, operators) that, when one or more of the five (a through e) environmental conditions exist, surface disturbing activities will be prohibited unless or until the permittee or his designated representative and the surface management agency (SMA) arrive at an acceptable plan for mitigation of anticipated impacts. This negotiation will occur prior to development and become a condition for approval when authorizing the action.

Specific threshhold criteria (e.g., 500 feet from water) have been established based upon the best information available. However, geographical areas and time periods of concern must be delineated at the field level (i.e., "surface water and/or riparian areas" may include both intermittent and ephemeral water sources or may be limited to perennial surface water). "Significant sites along historic trails," refer to those trail segments and sites which have been enrolled in or are eligible for enrollment in the National Register of Historic Places. These decisions, where possible, should be documented in the land use planning documents.

Modification or waiver of this stipulation must allow for additional requirements to be applied on a site specific basis, if necessary to mitigate the impacts of concern. Waiver of this stipulation must be based upon demonstration, through environmental analysis, plans of development, plans of operation, Application for Permit to Drill (APD) processing, etc., that the adverse affects will be mitigated or avoided.

10-28-87
Date

Signature

(Wyoming) Sublette

# ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (the "Assignment") executed by CROWN CENTRAL PETROLEUM CORPORATION, a Maryland corporation, whose address is One North Charles Street, P.O. Box 1168, Baltimore, Maryland 21203 (hereinafter called "Assignor"), to WEST TIMBERS LIMITED PARTNERSHIP, a Delaware limited partnership, NORTH TIMBERS LIMITED PARTNERSHIP, a Texas limited partnership, EAST TIMBERS LIMITED PARTNERSHIP, a Texas limited partnership (hereinafter collectively called "Assignees"), whose addresses are c/o Cross Timbers Production Company, Suite 2000, W.T. Waggoner Building, 810 Houston Street, Fort Worth, Texas 76102, dated effective at 11:59 p.m., local time, on December 31, 1987, said time to be determined for each locality in which the Purchased Properties (hereinafter defined) are located in accordance with the time generally observed in said locality (said hour and day hereinafter called the "Effective Time").

## ARTICLE I

### Conveyance of Oil and Gas Properties

Assignor, for Ten and No/100 Dollars ($10.00) and other good and valuable consideration in hand paid by Assignees, the receipt and sufficiency of which consideration are hereby acknowledged and confessed, by these presents does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER AND DELIVER unto Assignees, in the respective undivided interests set forth opposite the name of each Assignee, to wit:

West Timbers Limited Partnership - 10.67%
North Timbers Limited Partnership - 66.67%
East Timbers Limited Partnership - 22.66%

the following described properties:

(a) All interests presently shown to be owned by Assignor by instruments recorded in the Counties or Parishes set forth in Exhibit A or in the official records of any agency of the States set forth in Exhibit A or of the United States of America, or which Assignor is entitled to receive by reason of any participation, joint venture,

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FEES $ 34.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mare Riley

farm-in or other agreement, in and to the oil, gas and/or mineral leases, permits, licenses, concessions, leasehold estates, fee, royalty and overriding royalty interests described in Exhibit A attached hereto (the "Subject Interests"), together with each and every kind and character of right, title, claim or interest which Assignor has in and to the lands covered by the Subject Interests (the "Lands"); and

(b) All right, title and interest of Assignor in and to or derived from the following insofar as the same are attributable to the Subject Interests:

(i) all unitization, communitization and pooling designations, declarations, agreements and orders covering oil, gas and/or other liquid or gaseous hydrocarbons ("oil and gas") in or under the Lands or any portion thereof and the units and pooled or communitized areas created thereby;

(ii) all easements, rights of way, surface leases, permits, licenses, servitudes or other interests;

(iii) all equipment and other personal property, fixtures and improvements situated upon the Lands and used or held for use in connection with the exploration, development or operation of the Subject Interests or the Lands or the production, treatment, storage, compression, processing or transportation of oil and gas from or in the Subject Interests or the Lands (collectively the "Equipment");

(iv) all oil and gas sales, purchase, exchange and processing contracts and agreements, farmout or farm-in agreements, joint operating agreements and all other contracts and agreements insofar as the same affect or relate to the Subject Interests or the Lands or any part thereof (including, without limitation, all rights and benefits of Assignor thereunder in respect of gas production or processing imbalances);

(v) with the exception of all corporate, financial, tax and legal records of Assignor (which are hereby excluded from the Purchased Properties), all lease files, land files, well files, gas and oil sales contract files, gas processing files, division order files, abstracts, title opinions, and all other books, files and records, information and data (including production, engineering, geological and geophysical data), and all rights thereto, of Assignor insofar as the same are related to any of the Subject Interests or Lands and to the extent the transfer thereof is not prohibited by existing contractual obligations with third parties;

(vi) all oil and condensate in tanks located on the Lands which constitute inventory of Assignor as of the Effective Time; and

(vii) all claims of Assignor against gas purchasers for "take or pay" obligations with respect to the Subject Interests to the extent such claims have not been paid to or settled by Assignor as of the Effective Time.

The interests in and to the properties described in and granted, bargained, sold, conveyed, assigned, transferred, set over and delivered pursuant to this Article I are hereinafter sometimes collectively called the "Purchased Properties".

TO HAVE AND TO HOLD the Purchased Properties unto Assignees, their respective successors and assigns, in the respective undivided interests set forth above, forever, subject, however, to the matters set forth herein.

## ARTICLE II

## Limitation of Warranties; Permitted Encumbrances

### Section 2.1 *Limitation of Warranties.*

(a) Assignor does hereby bind itself, Assignor's successors and assigns, to warrant and forever defend all and singular Defensible Title (hereinafter defined) to the Subject

Interests, in the respective undivided interests set forth above, unto Assignees, Assignees' respective successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Assignor, but not otherwise; subject, however, to the Permitted Encumbrances (hereinafter defined). As used herein, the term "Defensible Title" shall mean such title to a Subject Interest that, subject to and except for Permitted Encumbrances, (i) entitles Assignor to receive not less than the net revenue interest of Assignor for the related lease or property set forth in Exhibit A attached hereto of all oil and gas produced, saved and marketed from or attributable to such lease or property, (ii) obligates Assignor to bear the costs and expenses relating to the maintenance, development and operation of such lease or property in an amount not greater than the working interest of Assignor for such lease or property set forth in Exhibit A attached hereto unless Assignor's net revenue interest therein is proportionately increased and (iii) is free and clear of liens and encumbrances, it being understood that the existence of Permitted Encumbrances affecting any lease or property shall not form the basis for a claim that Assignor does not have Defensible Title to such lease or property. Recourse for breach of the foregoing special warranty of title shall be limited to a return of the purchase price allocated to the Subject Interest with respect to which such warranty has been breached in accordance with Section 3.2 of the Purchase Agreement (hereinafter defined), without interest thereon.

(b) The Equipment is assigned to Assignees, in the respective undivided interests set forth above, "AS IS, WHERE IS" and without any warranty or representation of any kind or character, either express or implied. WITHOUT LIMITATION OF THE GENERALITY OF THE IMMEDIATELY PRECEDING SENTENCE, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO MOVABLE OR PERSONAL PROPERTY AND FIXTURES (i) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (ii) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (iii) ANY IMPLIED OR EXPRESS WARRANTY AS TO CONDITION AND (iv) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS.

(c) To the extent transferable, the Assignees, in the respective undivided interests set forth above, shall be and are hereby subrogated to all covenants and warranties of title by parties (other than Assignor) heretofore given or made to Assignor or its predecessors in title in respect of any of the Purchased Properties.

Section 2.2 *Permitted Encumbrances.* The Purchased Properties are assigned and conveyed by Assignor and accepted by Assignees expressly subject to the following (the "Permitted Encumbrances"):

(a) the terms, conditions, restrictions, exceptions, reservations, limitations and other matters contained in the agreements, instruments and documents which create or reserve to Assignor its interests in any of the Purchased Properties provided they do not operate to reduce the net revenue interest, nor increase the working interest, of Assignor in the Subject Interests as reflected in Exhibit A hereto (unless Assignor's net revenue interest therein is proportionately increased);

(b) any of the following liens or charges (x) which Assignor has agreed to assume or pay pursuant to the terms of that certain Agreement for Purchase and Sale dated as of December 3, 1987 (the "Purchase Agreement"), by and between Assignor, West Timbers Limited Partnership, North Timbers Limited Partnership and Amoco Production Company or (y) which Assignees have agreed to assume or pay pursuant to the terms of the Purchase Agreement: (i) undetermined or inchoate liens or charges constituting or securing the payment of expenses which were incurred incidental to maintenance, development, production or operation of the Purchased Properties for the purpose of developing, producing or processing oil and gas therefrom or therein and (ii) materialman's, mechanics', repairman's, employees', contractors', operators', or other similar liens or charges for liquidated amounts arising in the ordinary course of business;

(c) any liens for taxes and assessments not yet delinquent or, if delinquent, that are being contested in good faith in the normal course of business and for which Assignor remains liable for payment (with respect only to periods relating prior to the Effective Time);

(d) any liens or security interests created by law or reserved in oil and gas leases for royalty, bonus

or rental or for compliance with the terms of the Subject Interests;

(e) any obligation or duties affecting the Purchased Properties to any municipality or public authority with respect to any franchise, grant, license or permit, and all applicable laws, rules and orders of governmental authority;

(f) to the extent such matters, individually or in the aggregate, do not interfere materially with oil and gas operations on the Subject Interests, any (i) easements, rights-of-way, servitudes, permits, surface leases and other rights in respect of surface operations, pipelines, grazing, hunting, fishing, logging, canals, ditches, reservoirs, or the like, or (ii) easements for streets, alleys, highways, pipelines, telephone lines, power lines, railways and other similar rights-of-way, on, over, or in respect of property owned or leased by Assignor or over which Assignor owns rights-of-way, easements, permits, or licenses;

(g) all production payments listed in any exhibit hereto and all agreements, instruments, documents and other matters which are listed in the Purchase Agreement or in any schedule or exhibit thereto;

(h) all lessors' royalties, overriding royalties, net profits interests, carried interests, reversionary interests and other burdens if the net cumulative effect of such burdens does not operate to reduce the net revenue interest of Assignor in the Subject Interests as reflected in Exhibit A hereto;

(i) preferential rights to purchase and required third party consents to assignments and similar agreements with respect to which waivers or consents are obtained from the appropriate parties with respect to this Assignment or the appropriate time period for asserting such rights has expired without an exercise of such rights with respect to such sale;

(j) all rights to consent by, required notices to, filing with, or other actions by governmental entities in connection with the sale or conveyance of oil and gas leases or interests therein if the same are customarily obtained contemporaneously with or subsequent to such sale or conveyance;

(k) production sales contracts, division orders, contracts for sale, purchase, exchange, refining, or processing of oil and gas, unitization and pooling designations, declarations, orders and agreements, operating agreements, agreements of development, area of mutual interest agreements, gas balancing or deferred production agreements, processing agreements, plant agreements, pipeline, gathering and transportation agreements, injection, repressuring and recycling agreements, carbon dioxide purchase or sale agreements, salt water or other disposal agreements, seismic or geophysical permits or agreements, and other agreements which are customary in the oil, gas, sulphur and other mineral exploration, development or extraction business or in the business of processing of gas and gas condensate production for the extraction of products therefrom to the extent entered into in the ordinary course of business (but specifically excluding any sales contracts for oil which are not terminable by Assignor on three (3) months or less notice);

(l) all defects and irregularities affecting the Purchased Properties as to the use or operation thereof (and not as to title) and which individually or in the aggregate are not such as to interfere materially with the operation or use of any Purchased Property and do not materially interfere with Assignees receiving, in the respective undivided interests set forth above, the proceeds of production from the Subject Interests;

(m) any encumbrance, title defect or other matter (whether or not constituting a Title Defect (as defined in the Purchase Agreement)) waived or deemed waived by either West Timbers Limited Partnership or North Timbers Limited Partnership pursuant to Section 7.2 of the Purchase Agreement; and

(n) any agreement, contract, lease, instrument, permit, amendment or extension entered into by Assignor in accordance with Article IX of the Purchase Agreement.

By Assignees' acceptance of this Assignment, Assignees assume and agree to keep and perform the obligations of Assignor (to the extent the same are binding upon Assignor) under the Permitted Encumbrances which accrue from and after the Effective Time.

## ARTICLE III

## Miscellaneous

Section 3.1 *FERC Orders*. Prior to any transportation of natural gas by one or more of Assignees which could result in a credit against take-or-pay liabilities of such pipeline transporter under any gas sales contracts affecting any properties owned by Assignor on June 23, 1987 ("Subject Gas") pursuant to the take-or-pay or take-and-pay crediting mechanism promulgated by the Federal Energy Regulatory Commission's ("FERC") Order Nos. 500 and 500-B (as that series of orders may be amended or clarified, which orders are referred to herein as "Order 500"), such transporting Assignees, whether one or more, shall attempt to obtain a waiver from the potential pipeline transporter(s) of such pipeline's rights to invoke any provision of such crediting mechanism against Assignor on any properties owned by Assignor. Upon request by Assignees, Assignees and Assignor shall promptly enter into good faith negotiations concerning the open access transportation of Assignees' gas and the conditions, if any, under which Assignor may provide offers of credit to implement such transportation under Order 500. Assignor may not refuse to provide offers of credit unless the offering of credits would expose Assignor to any potentially adverse economic impact for which adequate compensation is not provided to Assignor by Assignees. "Adequate Compensation" as used in this Section 3.1 shall be determined with reference to the extent, if any, to which Assignor owns properties that would be affected by such offers of credit and the economic loss to Assignor that would potentially result from such offers of credit.

Section 3.2 *Further Assurances*. Assignor covenants and agrees to execute and deliver to Assignees all such other and additional instruments and other documents and will do all

such other acts and things as may be necessary more fully to assure to Assignees or their respective successors or assigns all of the respective properties, rights and interests herein and hereby granted or intended to be granted, in their respective undivided interests set forth above, including, without limitation, executing separate assignments of individual oil, gas and mineral leases or interests therein, which are included in the Purchased Properties and which are necessary to facilitate the recognition of Assignees' respective ownership of the Purchased Properties by all applicable governmental or tribal agencies and authorities. Such separate assignments (i) shall evidence the conveyance and assignment of the applicable Purchased Properties herein made, and shall not constitute any additional conveyance or assignment of the Purchased Properties, (ii) are not intended to modify, and shall not modify, any of the terms, covenants and conditions herein set forth and are not intended to create and shall not create any additional representations, covenants or warranties of or by Assignor to Assignees, and (iii) shall be deemed to contain all of the terms and provisions hereof, as fully and to all intents and purposes as though the same were set forth at length in the separate assignments. This Assignment, insofar as it pertains to those Purchased Properties as to which separate assignments have been, or will be, executed for filing with and approval by applicable governmental or tribal agencies and authorities, is made and accepted subject to the approval of such applicable governmental or tribal agencies and authorities and to the terms of such approval if and to the extent required by law.

Section 3.3 *Successors and Assigns*. All of the provisions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of Assignor and Assignees. All references herein to either Assignor or Assignees shall include their respective successors and assigns.

Section 3.4 *Counterparts*. This Assignment is being executed in several original counterparts, all of which are identical, except that, to facilitate recordations, there are omitted from certain counterparts those property descriptions in Exhibit A which contain descriptions of property located in recording jurisdictions other than the jurisdiction in which the particular counterpart is to be recorded. Each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one and the same assignment.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed on the dates of their respective acknowledgments set forth below, to be effective, however, as of the Effective Time.

ASSIGNOR:

CROWN CENTRAL PETROLEUM CORPORATION

By _____
T. E. Yates, Vice President

ASSIGNEES:

EAST TIMBERS LIMITED PARTNERSHIP

and

WEST TIMBERS LIMITED PARTNERSHIP

and

NORTH TIMBERS LIMITED PARTNERSHIP

By: Cross Timbers Partners, General Partner of each of the above limited partnerships

By: Cross Timbers Production Company, Its General Partner

By _____
Louis G. Baldwin
Vice President

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

29th This instrument was acknowledged before me on this the day of December, 1987, by T. E. Yates, Vice President of CROWN CENTRAL PETROLEUM CORPORATION, a Maryland corporation, on behalf of said corporation.

GAYLE C. HARDY NOTARY PUBLIC STATE OF TEXAS EXPIRES NOV 25 1989

Gayle C. Hardy
Notary Public in and for
the State of Texas

My Commission Expires:

Printed Name Notary:

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

29th This instrument was acknowledged before me on this the day of December, 1987, by Louis G. Baldwin, Vice President of Cross Timbers Production Company, a Texas corporation, General Partner of Cross Timbers Partners, a Texas limited partnership, General Partner of West Timbers Limited Partnership, a Delaware limited partnership, North Timbers Limited Partnership, a Texas limited partnership, and East Timbers Limited Partnership, a Texas limited partnership, on behalf of each of said partnerships.

NOTARY PUBLIC STATE OF TEXAS

Paul H Stanford
Notary Public in and for
the State of Texas

My Commission Expires:

Printed Name Notary:

PAUL H. STANFORD
Notary Public, State of Texas
My Commission Expires 6/10/89
Bonded by Carey C. Shaw

1029M

# INTRODUCTION TO EXHIBIT A

1. Mention is made that in this Exhibit A references (including, without limitation, references beginning with either of the phrases "Lease Covers" or "Insofar and Only Insofar as Lease Covers") to a particular property, formation, depth, parcel or unit in connection with an oil and gas lease description or other description are not intended as a limitation on the description, but are for identification of the property, formation, depth, unit designation or parcel with respect to which Assignor's net revenue interest and Assignor's working interest (as applicable) is warranted as provided in the Assignment, Bill of Sale and Conveyance to which this Exhibit A is attached (the "Assignment").

All references in this Exhibit A to recording data of an oil and gas lease or other instrument include, and are intended as a reference to, the Volume or Book and the page of the appropriate County or Parish or other public record where recorded, and reference is hereby made to each of such instruments and the record thereof for all purposes, including, but not limited to, reference for further description of the Subject Interests covered by the Assignment.

All references in this Exhibit A to an oil and gas lease, mineral deed, royalty deed or other title instrument (whether accurately described herein or not) are hereby declared to include all instruments of ratification, amendment or reformation relative thereto, whether or not expressly mentioned in this Exhibit A, and all such instruments of ratification, amendment and reformation, together with the respective records thereof in the appropriate County, Parish or other public office, if and when recorded, are incorporated by reference.

2. Mention is made that the oil and gas leasehold interests described in this Exhibit A are described by setting forth a description of (a) the Land Lease Number of Assignor with respect to such lease, (b) the lease itself, (c) the mineral interests, by tract or parcel, which such lease covers, (d) the acreage affected by such mineral interest, together with any applicable depth or geological formation limitation or restriction, and (e) Assignor's net revenue interest and Assignor's working interest (as applicable) with respect thereto. The undivided share of minerals covered by such

leases, together with Assignor's net revenue interest and Assignor's working interest, are expressed in decimal form and can be converted into percentages by multiplying the figure times 100. For example, a "1.0000000 mineral interest" means the entire (i.e., 100%) mineral estate and a ".5000000 mineral interest" means an undivided 50% mineral interest. Notwithstanding the specification of Assignor's net revenue interests and working interests in this Exhibit A, Assignor's intention is to include in the Assignment and there is hereby included all of Assignor's right, title and interest in and to the interests and Lands described, whether such interest is more or less than the decimal interests set forth herein.

3. References in this Exhibit A to "Developed Lease Numbers" are to developed lease numbers with which such leases are cross referenced to production information. The references to "Developed Lease Numbers" and other forms of "Land Lease Numbers" are internal reference numbers utilized for the convenience of the parties and do not constitute a part of the descriptions or a limitation upon the interests included herein.

[redacted] [redacted] [redacted]

EXHIBIT A

SUBLETTE COUNTY, WYOMING

SUBLETTE COUNTY, WYOMING
EXHIBIT A

---

1116-0001 BIG PINEY PROSPECT

LEASE (NUMBER W-92217) FROM UNITED STATES OF AMERICA,
BUREAU OF LAND MANAGEMENT, AS LESSOR,
TO GORDON S. WISE, AS LESSEE,
DATED DECEMBER 1, 1948,
SUBLETTE COUNTY, WYOMING
INSOFAR AND ONLY INSOFAR AS LEASE COVERS:

AN UNDIVIDED 1.0000000 MINERAL INTEREST IN
160.00 ACRES, MORE OR LESS, BEING NE/4 OF
SECTION 18, TOWNSHIP 28 NORTH, RANGE 112 WEST
FROM THE SURFACE DOWN TO 3359 FEET

| | |
|---|---|
| CROWN'S NET REVENUE INTEREST | .4225000 |
| CROWN'S WORKING INTEREST | .5000000 |

DEVELOPED LEASE NUMBER 325080

---

1116-0002 BIG PINEY PROSPECT

LEASE (NUMBER W-92216) FROM UNITED STATES OF AMERICA,
BUREAU OF LAND MANAGEMENT, AS LESSOR,
TO E. CECIL McGARVIN, AS LESSEE,
DATED JULY 1, 1948,
SUBLETTE COUNTY, WYOMING
INSOFAR AND ONLY INSOFAR AS LEASE COVERS:

AN UNDIVIDED 1.0000000 MINERAL INTEREST IN
240.00 ACRES, MORE OR LESS, BEING SW/4 NE/4,
SE/4 NW/4, NE/4 SW/4, NW/4 SE/4 AND S/2 SE/4
OF SECTION 7, TOWNSHIP 28 NORTH, RANGE 112 WEST
FROM THE SURFACE DOWN TO 3359 FEET

| | |
|---|---|
| CROWN'S NET REVENUE INTEREST | .4225000 |
| CROWN'S WORKING INTEREST | .5000000 |

DEVELOPED LEASE NUMBER 325080

---

1116-0003 BIG PINEY PROSPECT

LEASE FROM WILLIAM J. McGINNIS AND MAMIE McGINNIS,
HUSBAND AND WIFE, AS LESSOR,

TO BELCO PETROLEUM CORPORATION, AS LESSEE,
DATED MARCH 12, 1963, RECORDED IN BOOK 36, PAGE 119,
IN THE OFFICE OF THE COUNTY CLERK OF SUBLETTE COUNTY, WYOMING
INSOFAR AND ONLY INSOFAR AS LEASE COVERS:

AN UNDIVIDED 1.0000000 MINERAL INTEREST IN
40.00 ACRES, MORE OR LESS, BEING NE/4 SE/4,
OF SECTION 18, TOWNSHIP 28 NORTH, RANGE 112 WEST
FROM THE SURFACE DOWN TO 3359 FEET

| | |
|---|---|
| CROWN'S NET REVENUE INTEREST | .4225000 |
| CROWN'S WORKING INTEREST | .5000000 |

DEVELOPED LEASE NUMBER 325080

**********

# ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss. KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENCORE EXPLORATION 1981-DEV., L.P., acting by and through THE ENCORE COMPANY INC., its Agent and Attorney-in-Fact, whose address is c/o The Encore Company, Inc., 707 Westchester, 4th Floor, White Plains, New York 10604, (hereinafter called "Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other and good and valuable considerations, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which are hereby acknowledged, subject to the reservations, exceptions, limitations, conditions and other matters hereinafter set forth but effective the Effective Date (as hereinafter stated), have bargained, sold, transferred and conveyed and by these presents do hereby bargain, sell, transfer and convey unto GENERAL ATLANTIC ENERGY CORPORATION, formerly known as ITR PETROLEUM, INC., whose address is 410 - 17th Street, Suite 1400, Denver, Colorado 80202 (hereinafter called "Assignee"), all of the rights, titles and interests of Assignor in and to the oil, gas and mineral leases described on Exhibit A, attached hereto and by reference made a part hereof.

For the same considerations, Assignor does also hereby sell, assign, transfer and convey unto Assignee all rights, titles and interests of Assignor in and to all improvements now owned by Assignor and located on the leases described on Exhibit A, including any oil, gas and/or water well located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said lease, whether the same be considered real, personal or mixed property, including, but not limited to, casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, sheds and warehouses, any pipelines, rights-of-way, franchises, licenses, tenements and easements owned by Assignor as are pertinent to such lease used or useful in the operation thereof. However, Assignor, hereby expressly disclaims all warranties with respect to the properties set forth hereinabove, including, but without limitation, any express or implied warranties of merchantability of fitness for particular purpose, such that all such personal property, equipment and improvements covered by this instrument are sold " as is, where is ".

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to and in accordance with the terms and provisions of said oil, gas and mineral leases and any amendments thereto, with which leases Assignee agrees to comply, subject to the following reservations, exceptions, conditions and covenants, to-wit:

1. Subject to any and all reservations or assignments of record in the aforesaid county or counties, relating to overriding royalty interests and net profits interests burdening the leases described on Exhibit A, and reference is hereby made to the records in the offices of the County Clerk of said county or counties, for all purposes.

2. Subject to the reservations, restrictions, limitations (including without limitation, as to depth), exceptions, burdens, encumbrances, conditions and other matters set forth in and to all prior assignments pertaining to Assignor. Reference to said assignments is here made for all purposes, and all of the terms and provisions of said assignments are incorporated herein by reference the same as if duly set forth and described herein. **219493**

RECORDED Jan. 13 19 88 9:00 AM
IN BOOK 80 O&G PAGE 768
FEES $12.50 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mae Riley

3. Subject to any agreements and contracts, including without limitation operating agreements, gas purchase contracts, designations of unit, farmout agreements, pooling agreements, and any amendments to said documents, pertaining to the leases, lands and wells described on Exhibit A. To the extent same are valid and subsisting, Assignee agrees to be bound by and comply with the foregoing.

4. Subject to any mechanic's and materialman's or similar liens or claims for liens which have been or may be asserted against the interests of Assignor in the leases, lands and wells described on Exhibit A, the validity of such liens being neither expressly nor impliedly acknowledged by Assignor. Assignee agrees to indemnify and hold Assignor harmless from any and all costs, expenses (including cost of court and reasonable attorneys' fees) and liabilities which may be incurred by Assignor arising, in whole or in part, out of the assertion of any such liens or claims.

6. Assignee hereby acknowledges and accepts full responsibility and liability, except as to any accrued to the Effective Date, for continued operation of subject wells and for plugging and abandoning any wells located upon the leases and lands described on Exhibit A in accordance with the applicable rules and regulations of the regulatory agency having jurisdiction, and does hereby agree to indemnify and hold Assignor harmless for any and all such costs, expenses and liabilities (including cost of court and reasonable attorneys'fees) which may arise out of Assignee's acceptance of or failure to comply with this responsibility.

7. Assignee hereby acknowledges and accepts any and all responsibilities which Assignor may have in respect to restoration of the surface and shall indemnify and hold Assignor harmless from any and all costs, expenses and liabilities (including cost of court and reasonable attorneys' fees) which may arise out of Assignee's acceptance of or failure to comply with this responsibility.

8. Assignor shall be entitled to all of the rights, including production and proceeds of production, attributable to times prior to the Effective Date. Assignee shall be entitled to production and proceeds of production attributable to times from and after the Effective Date. It is agreed that all monetary obligations, if any still exist, owing by Assignor to Assignee whether known or unknown, billed or unbilled, relating to the interests herein assigned are deemed fully satisfied and paid. Further Assignor has not been and does not herein assign to Assignee, but hereby retains, any cause of action or right to assert a cause of action relating to the interests herein assigned or production therefrom arising out of matters (such as take or pay failures) prior to the Effective Date.

9. This assignment is given pursuant to the terms and conditions of the Letter Agreement between Assignor and Assignee pertaining to the purchase and sale of the properties herein assigned dated August 20, 1987, as amended by that Letter Agreement dated October 28, 1987 between the parties. This assignment is made and accepted without warranty of title or of any other kind or character, either express or implied. However in the above Letter Agreement the parties have created a 180 day title review period and procedure to handle any uncured and unwaived title defects. The terms and provisions hereof shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and assigns,

Assignor and Assignee, and their respective successors and assigns, and shall be covenants running with the interests assigned.

EXECUTED this 30th day of November 1987, but effective as of July 1, 1987, at 7:00 a.m. (local time) (the "Effective Date").

ENCORE EXPLORATION 1981-DEV., L.P., acting through and by its agent and attorney-in-fact, The Encore Company, Inc.

BY: _____
Robert D. Johnson
Agent and Attorney-in-fact

ACCEPTED:

GENERAL ATLANTIC ENERGY CORPORATION

By: _____
Bruce N. Burley
Attorney-In-Fact

STATE OF TEXAS )
) ss.
COUNTY OF Harris )

On this 30th day of November in the year 1987, before me personally came Robert D. Johnson, to me known, who being by me duly sworn, did depose and say he is the Agent & Attorney-in-Fact of THE ENCORE COMPANY, INC., agent and attorney-in-fact of THE ENCORE EXPLORATION 1981-DEV., L.P., a limited partnership, and which executed the above instrument; that he knows the seal of said corporation, The Encore Company, Inc., that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the board of directors of said corporation; and that he signed his name thereto by order of the board of directors of said corporation.

NOTARY PUBLIC STATE OF TEXAS

My Commission Expires: 11/17/90

_____
Notary Public

LAWRENCE S. JONES
Notary Public, State of Texas
My Commission Expires Nov. 17, 1990

[redacted] [redacted] [redacted]

STATE OF ~~COLORADO~~ TEXAS )
) ss.
COUNTY OF ~~DENVER~~ Harris )

On this 30th day of November in the year 1987, before me personally came Bruce N. Burley, to me known, who being by me duly sworn, did depose and say he is the Attorney-in-fact of GENERAL ATLANTIC ENERGY CORPORATION, a corporation and which executed the above instrument; that he knows the seal of said corporation, General Atlantic Energy Corporation, that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the board of directors of said corporation; and that he signed his name thereto by order of the board of directors of said corporation.

Lawrence S. Jones
Notary Public

My Commission Expires: 11/17/90

LAWRENCE S. JONES
Notary Public, State of Texas
My Commission Expires Nov. 17, 1990

EXHIBIT A
ATTACHED TO THAT ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES DATED NOVEMBER 30, 1987, FROM ENCORE EXPLORATION 1981-DEV., L.P. TO GENERAL ATLANTIC ENERGY CORPORATION

| PROPERTY NAME | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| Federal #20-28 | USA W-62117 | R. Ken Williams | 02/01/78 | * Township 27 North, Range 111 West, 6th P.M.<br>Section 28: NE/4 | 68 | 167 |
| Federal #40-28 | USA W-62117 | R. Ken Williams | 02/01/78 | * Township 27 North, Range 111 West, 6th P.M.<br>Section 28: SE/4 | 68 | 167 |
| Heron State #10-16 | State of Wyoming 72-28069 | Betty B. Shaffer | 11/02/72 | ** Township 27 North, Range 111 West, 6th P.M.<br>Section 16: All | 69 | 266 |
| Mohr Federal #10-8 | USA W-72837 | Valeria M. Mohr | 07/01/81 | Township 28 North, Range 110 West, 6th P.M.<br>Section 5: Lots 1,2,3 & 4, S/2<br>Section 6: Lot 4, S/2SE/4<br>Section 7: E/2<br>Section 8: All | 65 | 16 |

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All of the above described lands are located in Sublette County, Wyoming

* from the surface of the earth to the stratigraphic equivalent of 10,500 feet

** limited in depth from the surface down to the stratigraphic equivalent of 10,500 feet as encountered in the Heron State 10-16 well

# ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss. KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENCORE EXPLORATION 1982-DEV., L.P., and BIRD CANYON DEVELOPMENT - 1982, L.P., acting by and through THE ENCORE COMPANY INC., its Agent and Attorney-in-Fact, whose address is c/o The Encore Company, Inc., 707 Westchester, 4th Floor, White Plains, New York 10604, (hereinafter called "Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other and good and valuable considerations, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which are hereby acknowledged, subject to the reservations, exceptions, limitations, conditions and other matters hereinafter set forth but effective the Effective Date (as hereinafter stated), have bargained, sold, transferred and conveyed and by these presents do hereby bargain, sell, transfer and convey unto GENERAL ATLANTIC ENERGY CORPORATION, formerly known as ITR PETROLEUM, INC., whose address is 410 - 17th Street, Suite 1400, Denver, Colorado 80202 (hereinafter called "Assignee"), all of the rights, titles and interests of Assignor in and to the oil, gas and mineral leases described on Exhibit A, attached hereto and by reference made a part hereof.

For the same considerations, Assignor does also hereby sell, assign, transfer and convey unto Assignee all rights, titles and interests of Assignor in and to all improvements now owned by Assignor and located on the leases described on Exhibit A, including any oil, gas and/or water well located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said lease, whether the same be considered real, personal or mixed property, including, but not limited to, casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, sheds and warehouses, any pipelines, rights-of-way, franchises, licenses, tenements and easements owned by Assignor as are pertinent to such lease used or useful in the operation thereof. However, Assignor, hereby expressly disclaims all warranties with respect to the properties set forth hereinabove, including, but without limitation, any express or implied warranties of merchantability of fitness for particular purpose, such that all such personal property, equipment and improvements covered by this instrument are sold " as is, where is ".

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to and in accordance with the terms and provisions of said oil, gas and mineral leases and any amendments thereto, with which leases Assignee agrees to comply, subject to the following reservations, exceptions, conditions and covenants, to-wit:

1. Subject to any and all reservations or assignments of record in the aforesaid county or counties, relating to overriding royalty interests and net profits interests burdening the leases described on Exhibit A, and reference is hereby made to the records in the offices of the County Clerk of said county or counties, for all purposes.

2. Subject to the reservations, restrictions, limitations (including without limitation, as to depth), exceptions, burdens, encumbrances, conditions and other matters set forth in and to all prior assignments pertaining to Assignor. Reference to said assignments is here made for all purposes, and all of the terms and provisions of said assignments are incorporated herein by reference the same as if

**219494**



RECORDED Jan. 13 1988 9:00 A.M.
IN BOOK 80 O&G PAGE 773
FEES $18.25 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

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duly set forth and described herein.

3. Subject to any agreements and contracts, including without limitation operating agreements, gas purchase contracts, designations of unit, farmout agreements, pooling agreements, and any amendments to said documents, pertaining to the leases, lands and wells described on Exhibit A. To the extent same are valid and subsisting, Assignee agrees to be bound by and comply with the foregoing.

4. Subject to any mechanic's and materialman's or similar liens or claims for liens which have been or may be asserted against the interests of Assignor in the leases, lands and wells described on Exhibit A, the validity of such liens being neither expressly nor impliedly acknowledged by Assignor. Assignee agrees to indemnify and hold Assignor harmless from any and all costs, expenses (including cost of court and reasonable attorneys' fees) and liabilities which may be incurred by Assignor arising, in whole or in part, out of the assertion of any such liens or claims.

6. Assignee hereby acknowledges and accepts full responsibility and liability, except as to any accrued to the Effective Date, for continued operation of subject wells and for plugging and abandoning any wells located upon the leases and lands described on Exhibit A in accordance with the applicable rules and regulations of the regulatory agency having jurisdiction, and does hereby agree to indemnify and hold Assignor harmless for any and all such costs, expenses and liabilities (including cost of court and reasonable attorneys'fees) which may arise out of Assignee's acceptance of or failure to comply with this responsibility.

7. Assignee hereby acknowledges and accepts any and all responsibilities which Assignor may have in respect to restoration of the surface and shall indemnify and hold Assignor harmless from any and all costs, expenses and liabilities (including cost of court and reasonable attorneys' fees) which may arise out of Assignee's acceptance of or failure to comply with this responsibility.

8. Assignor shall be entitled to all of the rights, including production and proceeds of production, attributable to times prior to the Effective Date. Assignee shall be entitled to production and proceeds of production attributable to times from and after the Effective Date. It is agreed that all monetary obligations, if any still exist, owing by Assignor to Assignee whether known or unknown, billed or unbilled, relating to the interests herein assigned are deemed fully satisfied and paid. Further Assignor has not been and does not herein assign to Assignee, but hereby retains, any cause of action or right to assert a cause of action relating to the interests herein assigned or production therefrom arising out of matters (such as take or pay failures) prior to the Effective Date.

9. This assignment is given pursuant to the terms and conditions of the Letter Agreement between Assignor and Assignee pertaining to the purchase and sale of the properties herein assigned dated July 27, 1987, as amended by that Letter Agreement dated October 28, 1987 between the parties. This assignment is made and accepted without warranty of title or of any other kind or character, either express or implied. However in the above Letter Agreement the parties have created a 180 day title review period and procedure to handle any uncured and unwaived title defects. The terms and provisions hereof shall be binding upon and inure to the benefit of

Assignor and Assignee, and their respective successors and assigns, and shall be covenants running with the interests assigned.

EXECUTED this 30th day of November, 1987, but effective as of January 1, 1987, at 7:00 a.m. (local time) (the "Effective Date").

ENCORE EXPLORATION 1982-DEV., L.P.,
BIRD CANYON DEVELOPMENT-1982, L.P.
acting through and by its agent
and attorney-in-fact, The Encore
Company, Inc.

BY: _____
Robert D. Johnson
Agent and Attorney-in-fact

ACCEPTED:

GENERAL ATLANTIC ENERGY CORPORATION

By: _____
Bruce N. Burley
Attorney-in-Fact

STATE OF Texas )
) ss.
COUNTY OF Harris )

On this 30th day of November in the year 1987, before me personally came Robert D. Johnson, to me known, who being by me duly sworn, did depose and say he is the Agent & Attorney-in-Fact of THE ENCORE COMPANY, INC., agent and attorney-in-fact of THE ENCORE EXPLORATION 1982-DEV., L.P., and BIRD CANYON DEVELOPMENT-1982, L.P., a limited partnership, and which executed the above instrument; that he knows the seal of said corporation, The Encore Company, Inc., that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the board of directors of said corporation; and that he signed his name thereto by order of the board of directors of said corporation.

_____
LAWRENCE S. JONES
Notary Public, State of Texas
My Commission Expires Nov. 17, 1990

STATE OF ~~COLORADO~~ Texas )
) ss.
COUNTY OF ~~DENVER~~ Harris )

On this 30th day of November in the year 1987, before me personally came Bruce N. Burley, to me known, who being by me duly sworn, did depose and say he is the Attorney-in-Fact of GENERAL ATLANTIC ENERGY CORPORATION, a corporation and which executed the above instrument; that he knows the seal of said corporation, General Atlantic Energy Corporation, that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the board of directors of said corporation: and that he signed his name thereto by order of the board of directors of said corporation.

Notary Public

My Commission Expires: 11/17/90

LAWRENCE S. JONES
Notary Public, State of Texas
My Commission Expires Nov. 17, 1990

EXHIBIT A
ATTACHED TO THAT ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES DATED NOVEMBER 30, 1987, FROM ENCORE 1982/BIRD CANYON DEVELOPMENT 1982, L.P. TO GENERAL ATLANTIC ENERGY CORPORATION

| PROPERTY NAME | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| Crane Federal 10-9 | USA W-42781 | Arthur N. Rupe | 01/01/74 | Township 27 North, Range 111 West, 6th P.M.<br>Section 9: W/2<br>limited from the surface of the earth down to the stratigraphic equivalent of 10,990 feet as found in the Federal 10-09 well. | 71 | 310 |
| Esposito Federal 40-20<br>Esposito Federal 40-29<br>Esposito Federal 40-32 | USA W-77883 | Freda Esposito | 07/01/76 | Township 28 North, Range 111 West, 6th P.M.<br>Section 20: E/2<br>Section 29: E/2<br>Section 32: E/2<br>limited in depth from the surface down to stratigraphic equivalent of 11,490 feet as found in the Esposito Federal 40-20 well. | 71 | 304 |
| Federal 20-14 (Quebec) | USA W-64986 | Belco Petroleum Corporation | 10/01/78 | Township 27 North, Range 112 West, 6th P.M.<br>Section 11: S/2<br>Section 14: N/2<br>limited in depth from the surface of the earth to the stratigraphic equivalent of 8,980 feet as encountered in the Federal 20-14 well. | | |

All of the above described lands are located in Sublette County, Wyoming.

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EXHIBIT A
ATTACHED TO THAT ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES DATED NOVEMBER 30, 1987, FROM ENCORE 1982/BIRD CANYON DEVELOPMENT 1982, L.P. TO GENERAL ATLANTIC ENERGY CORPORATION

| PROPERTY NAME | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| Federal 30-33 | USA W-53094 | Owen P. Miles, Jr. | 01/01/76 | Township 27 North, Range 111 West, 6th P.M.<br>Section 33: Lots 1 & 2, NE/4SW/4<br>limited in depth from the surface of the ground to the stratigraphic equivalent of 10,035 feet as encountered in the Federal 30-33 well. | 71 | 308 |
| | USA W-54137 | Melvin Meester | 04/01/76 | Township 27 North, Range 111 West, 6th P.M.<br>Section 33: NW/4SW/4<br>limited in depth from the surface of the ground to the stratigraphic equivalent of 10,044 feet as found in the Federal 30-33 well. | 64 | 562 |
| Federal 40-33 | USA W-53094 | Owen P. Miles, Jr. | 01/01/76 | Township 27 North, Range 111 West, 6th P.M.<br>Section 33: Lots 3 & 4, N/2SE/4<br>limited in depth from the surface of the ground to the stratigraphic equivalent of 10,035 feet as encountered in the Federal 30-33 well. | 71 | 308 |

All of the above described lands are located in Sublette County, Wyoming.

EXHIBIT A
ATTACHED TO THAT ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES DATED NOVEMBER 30, 1987, FROM ENCORE 1982/BIRD CANYON DEVELOPMENT 1982, L.P. TO GENERAL ATLANTIC ENERGY CORPORATION

| PROPERTY NAME | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| Hanson Federal 20-1 | USA W-67178 | Phyllis Hanson | 04/01/79 | Township 27 North, Range 112 West, 6th P.M.<br>Section 1: Lots 1,2,3,4, S/2N/2<br>limited in depth from the surface of the earth to the stratigraphic equivalent of 10,300 feet as encountered in the Hanson Federal 20-1 well. | 66 | 419 |
| Walstrom Federal 30-1 | USA W-64985 | L.A. Walstrom, Jr. | 10/01/78 | Township 27 North, Range 112 West, 6th P.M.<br>Section 1: SW/4<br>Section 2: Lot 8, NE/4SW/4, S/2SW/4, SE/4<br>Section 12: N/2NW/4<br>limited in depth from the surface to the stratigraphic equivalent of the total depth of the Walstrom 30-1 well. | 57 | 79 |

All of the above described lands are located in Sublette County, Wyoming

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EI-Mortgaged

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF WYOMING )
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, ENERGETICS, INC., whose address is 102 Inverness Terrace East, Englewood, Colorado 80112, hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, transferred and conveyed, and by these presents does hereby bargain, sell, transfer and convey unto GENERAL ATLANTIC ENERGY CORPORATION, 410 17th Street, Suite 1400, Denver, Colorado 80202, hereinafter referred to as "Assignee", Assignor's interest, set forth on Exhibit "A", attached hereto, in and to the oil, gas and mineral leases described therein, and the mineral leasehold estates created thereby, including the respective gross working interest, and net revenue interest, and overriding royalty interest, if any, in and to the well or wells drilled upon the leasehold estates, subject to the reservations, exceptions, limitations and conditions, if any, hereinafter set forth and subject to the terms and provisions hereinafter stated.

Reference is here made to the leases described on Exhibit "A", and any amendments thereto, of record in the office of the County Clerk for a more particular description of the acreage covered thereby and for the terms and provisions of said leases and any amendments.

And for the same consideration Assignor does hereby sell, assign, transfer and convey unto Assignee a like interest in and to all improvements now owned or hereafter acquired by Assignor and located on the lands and leases including all oil, gas and water wells now or hereafter located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said land and leases, whether the same be considered real, personal or mixed property, including, but not limited to, all casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, leaseholds, sheds and warehouses, all pipelines, right-of-way, franchises,

licenses, tenements and easements owned by Assignor as are pertinent to such leases or used or useful in the operation thereof.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, in accordance with the terms and provisions of said oil, gas and mineral leases, and any amendments thereto, and subject to the following reservations, exceptions, conditions and covenants, to wit:

1. Subject to any and all reservations of records relating to overriding royalty interest and/or net profits interest burdening the leases described on Exhibit "A", and any and all other agreements which would affect the title to the leases described on Exhibit "A", and reference is hereby made to the records in the offices of the County Clerk for all purposes.

2. This Assignment is subject to the Plan of Reorganization filed in the United States Bankruptcy Court, District of Colorado, Case No. 84-B-5326 and 84-B-5325, entered and approved by the Court and creditors effective June 28, 1985, under the terms of which this assignment is made free and clear of all liens and obligations of Assignor except as otherwise provided in said Plan.

3. This assignment shall be effective from and after December 1, 1984, at 7:00 a.m.

This assignment is made without warranty expressed or implied.

219495

RECORDED Jan 13 A9 88 9:00 AM
IN BOOK 80 O&G PAGE 780
FEES $ 10.01 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Mary Riley

Wyoming

This signature page is attached to and made a part of that certain Assignment of Oil, Gas and Mineral Leases dated DEC 8 1987 by and between ENERGETICS, INC. and General Atlantic Energy Corporation.

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EXECUTED this 8th day of December, 1987, but effective as of the date set forth above.

(Seal)

ENERGETICS, INC.

By: _____
Jordan R. Smith, President

STATE OF COLORADO

COUNTY OF ARAPAHOE

The foregoing instrument was acknowledged before me this 8th day of December, 1987, by Jordan R. Smith, as President, for ENERGETICS, INC., a Delaware corporation.

Witness my hand and official seal.

My commission expires: June 29, 1989

(TOM C. GRIFFITH NOTARY PUBLIC STATE OF)

_____
Tom G. Griffith — Notary Public
678 E. 4th Avenue, #4
Denver, Colorado 80203

Federal #42-11

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated DEC 8 1987, 1987 from Energetics, Inc. to General Atlantic Energy Corporation.

| Lease No. Prospect No. | Lessor | Lessee | Lease Date | Description | Recording Book | Recording Page | Assignor's Interest |
|---|---|---|---|---|---|---|---|
| 12445 | USA W-65390 | Energetics, Inc. | 12/1/78 | Township 27 North, Range 111 West, 6th P.M.<br>Section 11: NE/4<br>Sublette County, Wyoming<br><br>Limited in depth from the surface of the earth to the base of the Almy Formation. | 64 | 675 | 1.05% Overriding Royalty Interest |

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# ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES

STATE OF WYOMING )
) ss. KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SUBLETTE )

THAT, CROYAL I LTD., acting herein by and through THE ENCORE COMPANY, INC., its Agent and Attorney-in-Fact, whose address is c/o The Encore Company, Inc., 707 Westchester, 4th Floor, White Plains, New York 10604, (hereinafter called "Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other and good and valuable considerations, all in hand paid to Assignor by Assignee hereinafter named, the receipt and sufficiency of which are hereby acknowledged, subject to the reservations, exceptions, limitations, conditions and other matters hereinafter set forth but effective the Effective Date (as hereinafter stated), have bargained, sold, transferred and conveyed and by these presents do hereby bargain, sell, transfer and convey unto GENERAL ATLANTIC ENERGY CORPORATION, formerly known as ITR PETROLEUM, INC., whose address is 410 - 17th Street, Suite 1400, Denver, Colorado 80202 (hereinafter called "Assignee"), all of the rights, titles and interests of Assignor in and to the oil, gas and mineral leases described on Exhibit A, attached hereto and by reference made a part hereof.

For the same considerations, Assignor does also hereby sell, assign, transfer and convey unto Assignee all rights, titles and interests of Assignor in and to all improvements now owned by Assignor and located on the leases described on Exhibit A, including any oil, gas and/or water well located thereon; all rights, privileges and appurtenances thereto with all reversions and remainders; all equipment, apparatus, machinery and fixtures of whatever kind, nature and description belonging to Assignor which are or may be used in the conduct of operations on said lease, whether the same be considered real, personal or mixed property, including, but not limited to, casing, tubing, rods, pumps, derricks, separators, engines, motors, tanks, flow lines, valves, meters, loading racks, processing equipment, water disposal equipment, power and lighting plants, power and utility lines, sheds and warehouses, any pipelines, rights-of-way, franchises, licenses, tenements and easements owned by Assignor as are pertinent to such lease used or useful in the operation thereof. However, Assignor, hereby expressly disclaims all warranties with respect to the properties set forth hereinabove, including, but without limitation, any express or implied warranties of merchantability of fitness for particular purpose, such that all such personal property, equipment and improvements covered by this instrument are sold " as is, where is ".

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to and in accordance with the terms and provisions of said oil, gas and mineral leases and any amendments thereto, with which leases Assignee agrees to comply, subject to the following reservations, exceptions, conditions and covenants, to-wit:

1. Subject to any and all reservations or assignments of record in the aforesaid county or counties, relating to overriding royalty interests and net profits interests burdening the leases described on Exhibit A, and reference is hereby made to the records in the offices of the County Clerk of said county or counties, for all purposes.

2. Subject to the reservations, restrictions, limitations (including without limitation, as to depth), exceptions, burdens, encumbrances, conditions and other matters set forth in and to all prior assignments pertaining to Assignor. Reference to said assignments is here made for all purposes, and all of the terms and provisions of said assignments are incorporated herein by reference the same as if duly set forth and described herein.

**219496**



RECORDED Jan. 13 19 88 9:00 A M.
IN BOOK 80 O&G PAGE 784
FEES $ 12.00 Mary L. Lankford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: mac

3. Subject to any agreements and contracts, including without limitation operating agreements, gas purchase contracts, designations of unit, farmout agreements, pooling agreements, and any amendments to said documents, pertaining to the leases, lands and wells described on Exhibit A. To the extent same are valid and subsisting, Assignee agrees to be bound by and comply with the foregoing.

4. Subject to any mechanic's and materialman's or similar liens or claims for liens which have been or may be asserted against the interests of Assignor in the leases, lands and wells described on Exhibit A, the validity of such liens being neither expressly nor impliedly acknowledged by Assignor. Assignee agrees to indemnify and hold Assignor harmless from any and all costs, expenses (including cost of court and reasonable attorneys' fees) and liabilities which may be incurred by Assignor arising, in whole or in part, out of the assertion of any such liens or claims.

6. Assignee hereby acknowledges and accepts full responsibility and liability, except as to any accrued to the Effective Date, for continued operation of subject wells and for plugging and abandoning any wells located upon the leases and lands described on Exhibit A in accordance with the applicable rules and regulations of the regulatory agency having jurisdiction, and does hereby agree to indemnify and hold Assignor harmless for any and all such costs, expenses and liabilities (including cost of court and reasonable attorneys'fees) which may arise out of Assignee's acceptance of or failure to comply with this responsibility.

7. Assignee hereby acknowledges and accepts any and all responsibilities which Assignor may have in respect to restoration of the surface and shall indemnify and hold Assignor harmless from any and all costs, expenses and liabilities (including cost of court and reasonable attorneys' fees) which may arise out of Assignee's acceptance of or failure to comply with this responsibility.

8. Assignor shall be entitled to all of the rights, including production and proceeds of production, attributable to times prior to the Effective Date. Assignee shall be entitled to production and proceeds of production attributable to times from and after the Effective Date. It is agreed that all monetary obligations, if any still exist, owing by Assignor to Assignee whether known or unknown, billed or unbilled, relating to the interests herein assigned are deemed fully satisfied and paid. Further Assignor has not been and does not herein assign to Assignee, but hereby retains, any cause of action or right to assert a cause of action relating to the interests herein assigned or production therefrom arising out of matters (such as take or pay failures) prior to the Effective Date.

9. This assignment is given pursuant to the terms and conditions of the Letter Agreement between Assignor and Assignee pertaining to the purchase and sale of the properties herein assigned dated September 21, 1987, as amended by that Letter Agreement dated October 28, 1987 between the parties. This assignment is made and accepted without warranty of title or of any other kind or character, either express or implied. However in the above Letter Agreement the parties have created a 180 day title review period and procedure to handle any uncured and unwaived title defects. The terms and provisions hereof shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and assigns,

and shall be covenants running with the interests assigned.

EXECUTED this 30th day of November, 1987, but effective as of July 1, 1987, at 7:00 a.m. (local time) (the "Effective Date").

CROYAL I LTD., acting through and by its agent and attorney-in-fact, The Encore Company, Inc.

BY: _____
Robert D. Johnson
Agent and Attorney-in-fact

ACCEPTED:

GENERAL ATLANTIC ENERGY CORPORATION

By: _____
Bruce N. Burley
Attorney-in-Fact

STATE OF TEXAS )
) ss.
COUNTY OF Harris )

On this 30th day of November in the year 1987, before me personally came Robert D. Johnson, to me known, who being by me duly sworn, did depose and say he is the Agent & Attorney-in-Fact of THE ENCORE COMPANY, INC., agent and attorney-in-fact of CROYAL I LTD., a limited partnership, and which executed the above instrument; that he knows the seal of said corporation, The Encore Company, Inc., that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the board of directors of said corporation; and that he signed his name thereto by order of the board of directors of said corporation.

_____
LAWRENCE S. JONES
Notary Public, State of Texas
My Commission Expires Nov. 17, 1990

STATE OF ~~COLORADO~~ TEXAS )
) ss.
COUNTY OF ~~DENVER~~ Harris )

On this 30th day of November in the year 1987, before me personally came Bruce N. Burley, to me known, who being by me duly sworn, did depose and say he is the Attorney-in-Fact of GENERAL ATLANTIC ENERGY CORPORATION, a corporation and which executed the above instrument; that he knows the seal of said corporation, General Atlantic Energy Corporation, that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the board of directors of said corporation; and that he signed his name thereto by order of the board of directors of said corporation.

Lawrence S. Jones
Notary Public

My Commission Expires: 11/17/90

LAWRENCE S. JONES
Notary Public, State of Texas
My Commission Expires Nov. 17, 1990

EXHIBIT A
ATTACHED TO THAT ASSIGNMENT OF INTEREST IN OIL, GAS AND MINERAL LEASES DATED NOVEMBER 30, 1987, FROM CROYAL I LTD. TO GENERAL ATLANTIC ENERGY CORPORATION

| PROPERTY NAME | LESSOR | LESSEE | LEASE DATE | LAND DESCRIPTION | RECORDED BOOK | RECORDED PAGE |
|---|---|---|---|---|---|---|
| Federal 10-28<br>Federal 30-28 | USA W-62117 | R. Ken Williams | 02/01/78 | Township 27 North, Range 111 West, 6th P.M.<br>Section 28: NW/4, N/2SW/4, SE/4SW/4<br>limited in depth from the surface of the ground down to a depth of 10,306 feet. | 67 | 646 |
| | USA W-68454 | Edward H. Judson | 09/01/79 | Township 27 North, Range 111 West, 6th P.M.<br>Section 28: SW/4SW/4<br>limited in depth from the surface of the ground to a depth of 10,306 feet. | 71 | 306 |

All of the above described lands are located in Sublette County, Wyoming.

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