STATE OF COLORADO }
ss.
CITY AND COUNTY OF DENVER }

RECORDED June 16 1997 M 4:30 P
IN BOOK 105016 PAGE 1
FEES $16.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Boston

262402

AFFIDAVIT OF MERGER AND NAME CHANGE

Before me, the undersigned authority, personally came and appeared J. Samuel Butler, personally known to me, and having first been duly sworn upon his oath, stated as follows:

1. That he is the President and Chief Executive Officer of Sheffield Operating Company, Inc. and ST Oil Company, both being Nevada corporations, and that he has personal knowledge of the facts set forth in this Affidavit;

2. That on December 6, 1996 there was filed in the office of the Secretary of State of the State of Nevada by Sheffield Operating Company, Inc. and ST Oil Company Articles of Merger to merge ST Oil Company into Sheffield Operating Company, Inc., and to subsequently change the name of Sheffield Operating Company, Inc. to ST Oil Company;

3 That said merger and name change has been made in accordance with the Laws of the State of Nevada, and said Articles of Merger are now on file and of record in the office of the Secretary of State of the State of Nevada; and

4. A copy of the Certificate of Filing the Articles of Merger issued by the Secretary of State of the State of Nevada evidencing the merger of ST Oil Company into Sheffield Operating Company is attached hereto as Exhibit "A", and a copy of the Articles of Merger filed with the Secretary of State of the State of Nevada evidencing the merger and subsequent name change of Sheffield Operating Company, Inc. to ST Oil Company is attached hereto as Exhibit "B" and made a part hereof:

Further your affiant sayeth not.

J. Samuel Butler

Subscribed, sworn to and acknowledged before me this 6th day of January, 1997 by J. Samuel Butler.

Witness my hand and official seal.

My commission Expires: 4-28-98

Notary Public

NOTARY PUBLIC STATE OF COLORADO

SECRETARY OF STATE

STATE OF NEVADA

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, limited-liability companies, limited partnerships, and limited-liability partnerships pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that there was filed in this office on December 6, 1996,

ARTICLES OF MERGER
merging
ST OIL COMPANY
(A NEVADA CORPORATION)
into
SHEFFIELD OPERATING COMPANY, INC.
(A NEVADA CORPORATION)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office, in Carson City, Nevada, on December 24, 1996.

Secretary of State

By

Certification Clerk

[redacted] EXHIB[redacted] [redacted]

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

DEC 0 6 1996
No. C-4647-81

DEAN HELLER, SECRETARY OF STATE

ARTICLES OF MERGER

ST OIL COMPANY,
a Nevada corporation,

into

SHEFFIELD OPERATING COMPANY, INC.,
a Nevada corporation.

Pursuant to the provisions of Section 92A.200 of the Nevada Corporation Code, the President and Secretary of each of the undersigned corporations have executed these Articles of Merger for the purpose of filing with the Secretary of State of the State of Nevada.

Article I

(a) ST Oil Company ("ST") is a Nevada corporation, governed by the laws of the State of Nevada.

(b) Sheffield Operating Company, Inc. ("Sheffield") is a Nevada corporation, governed by the laws of the State of Nevada.

Article II

The Agreement and Plan of Merger attached hereto as Exhibit A and incorporated herein by reference (the "Plan of Merger"), has been approved and adopted by the directors and stockholders of ST and by the directors and sole stockholder of Sheffield, in the manner provided by the laws of the State of Nevada. Sheffield is the surviving corporation, and the name of the surviving entity shall be ST Oil Company.

Article III

The Plan of Merger was approved by the unanimous consent of the owners of ST and by consent of the sole stockholder of Sheffield.

J:\DATA\PUBL\PMER\3925.1
November 19, 1996 4:47pm

[redacted]

Article IV

The Articles of Incorporation of Sheffield, as amended, shall be the Articles of Incorporation of the surviving entity, as amended herein to read as follows:

"ARTICLE I

Name

The name of the Corporation is ST OIL COMPANY."

"ARTICLE XIII

Authorized Stock

The corporation is authorized to issue, and its capital stock shall consist of, 1,000,000 shares of common stock, $.001 par value per share. Said stock, when fully paid, shall be nonassessable. The common stock shall have the right to participate in and vote at stockholders' meetings, each share of common stock entitling the holder thereof to one vote."

G:\DATA\PUBL\PMER\3925.1
November 19, 1996 4:47pm

Article V

The complete, executed Plan of Merger is on file at the principal place of business of the surviving entity, 1301 Broadway, Suite 600, Denver, CO 80202, and shall be furnished upon request and without cost, to any stockholder of either ST or Sheffield.

Executed this 21st day of November, 1996.

ST OIL COMPANY,
a Nevada corporation

Attest: _____
Michele L. Hiller,
Secretary

By: _____
J. Samuel Butler, President

SHEFFIELD OPERATING COMPANY, INC.,
a Nevada corporation

Attest: _____
David L. Milanesi,
Secretary

By: _____
J. Samuel Butler, President

STATE OF COLORADO
COUNTY OF DENVER

On the 21st day of November, 1996, personally appeared before me, a Notary Public in and for Denver County, J. Samuel Butler, Michele L. Hiller and David L. Milanesi, known to me to be the persons whose names are subscribed to the above instrument, who acknowledged to me that they executed the same.

Seal:

_____
Notary Public

My commission expires: July 17, 2000

G:\DATA\PUBL\PMER\3925.1
November 19, 1996 4:47pm

Exhibit 'C'

Attached hereto and made a part hereof that certain Affidavit of Merger and Name Change

Lands in Sublette County, Wyoming, Subject to the Affidavit of Merger and Name Change

Oil and Gas Lease dated 9/16/94, by and between Elva Louise Vible, as Lessor and Leonard Hay, as Lessee, recorded in Book 99 O&G, Page 83 of the Sublette County records, covering the following described land, to wit:

Township 31 North, Range 108 West of the 6th P.M.
Section 5: Lot 4 (NW/4NW/4), SW/4NW/4
Section 6: Lots 1, 2, (N/2NE/4); S/2NE/4; Lot 5 (SW/4NW/4); SE/4NW/4; Lots 6, 7, 12, 13 (SW/4)
Section 7: Lot 2 (NW/4NW/4); NE/4NW/4; NW/4NE/4

Township 32 North, Range 108 West of the 6th P.M.
Section 32: S/2SW/4

Township 31 North, Range 109 West of the 6th P.M.
Section 1: S/2NE/4; Lot 5 (SE/4SE/4), NE/4SE/4, W/2SE/4, E/2SW/4, SW/4/SW/4
Section 11: E/2NE/4
Section 12: Lots 1, 2, 3 (N/2NE/4), NE/4NW/4); NW/4NW/4; Lot 4, (SW/4NW/4)

Oil and Gas Lease dated July 1, 1975, by and between Brandt M. Jensen and Josephine Jensen and Leo J. Jensen and Eva Jensen, as Lessors, and Leonard Hay as Lessee, recorded in Book 58 O&G, Page 626 of the Sublette County records, and an Extension thereof dated Feb. 20, 1980, granted by Lessors and recorded in Book 58O&G, Page 634; and a Ratification thereof dated Feb. 20, 1980, recorded in Book 59O&G, Page 687, covering the following described lands, to wit:

Township 31 North, Range 109 West, 6th P.M.
Section 10: NE/4SE/4, S/2SE/4
Section 11: Lots 2, 3, 4, 5, 6, 7, W/2NE/4, S/2NW/4, NW/4/SW/4
Section 14: Lots 1, 2, NE/4NW/4
Section 15: Lots 1, 2
Also all of the bed of the New Fork River between mean high water and medial lines thereof, in front of and appurtenant to Lots 2, 3, 4, 5, 6, and 7, Section 11; Lots 1and 2, Section 14; and Lots 1 and 2, Section 15, Township 31 North, Range 109 West, 6th P.M.

[redacted] [redacted] [redacted]

THE STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

NOTICE OF JONAH FIELD DEVELOPMENT AGREEMENT

Notice is given of the Jonah Field Development Agreement dated May 30, 1997 by and between Ultra Petroleum (USA) Inc., a Colorado corporation ("Customer") and Halliburton Energy Services, Inc. ("Contractor") under which Contractor has the right to earn leasehold interests and other rights with respect to the lands and leases described in Exhibit "A" hereto. A copy of such agreement, which is incorporated by reference herein, is kept by each of the parties hereto in their respective offices.

262482

11:00A
RECORDED June 03 1997 M
IN BOOK 105 Or6 PAGE 7
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

REVIEWED
OPERATIONS
LEGAL

ULTRA PETROLEUM (USA) INC.

By: R. Jerry Albertus

Its: President

HALLIBURTON ENERGY SERVICES, INC.

By: Edward O. DiPaolo
E.J. DiPaolo

Its: Vice President, Global Business Development

THE STATE OF COLORADO §
§
COUNTY OF DENVER §

This instrument was acknowledged before me on 30 day of May, 1997, by R. Jerry Albertus, President of Ultra Petroleum (USA) Inc., a Colorado corporation, on behalf of said corporation.

Janet E. Mahoney
Notary Public, State of COLORADO

My Commission Expires
June 30, 2000

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on 30 day of May, 1997, by E.J. DiPaolo, V.P., Global Bus. Dev. of Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

H. LYNN MCCOLLUM
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
APRIL 9, 2001

H Lynn McCollum
Notary Public, State of TEXAS

My commission expires
April 9, 2001

EXHIBIT A
to
JONAH FIELD DEVELOPMENT AGREEMENT BETWEEN
ULTRA PETROLEUM (USA)), INC.
and HALLIBURTON ENERGY SERVICES, INC.

Ultra Petroleum (USA), Inc. and Halliburton Energy Services, Inc. agree to drill the wells described herein in the following sequence, unless the Bureau of Land Management varies the order of drilling by its issuance of permits.

WELL GROUP I

T29N, R108W

WELL NAME	LEGAL DESCRIPTION	COUNTY	STATE
Stud Horse Butte 15-24	SW of SE of Section 24	Sublette	Wyoming
Stud Horse Butte 5-23	SW of NW of Section 23	Sublette	Wyoming
Stud Horse Butte 7-23	SW of NE of Section 23	Sublette	Wyoming
Stud Horse Butte 5-24	SW of NW of Section 24	Sublette	Wyoming
Stud Horse Butte 7-24	SW of NE of Section 24	Sublette	Wyoming
Stud Horse Butte 13-21	SW of SW of Section 21	Sublette	Wyoming
Stud Horse Butte 5-21	SW of NW of Section 21	Sublette	Wyoming
or			
Stud Horse Butte 7-21	SW of NE of Section 21	Sublette	Wyoming

ASSIGNMENT OF OVERRIDING ROYALTY

THE UNDERSIGNED, ROBERT W. SCOTT, 1275 Lupine Way, Genesee, Golden, Colorado 80401, whether one or more, collectively designated herein as assignor, for value received, does hereby assign, transfer, convey, and set over unto:

R. W. Scott Investments LLC, a Colorado Limited Liability Company, 1275 Lupine Way, Genesee, Golden, Colorado 80401, Assignee, all of assignor's right, title, and interest in all of the oil, gas, and other hydrocarbon substances produced, saved and marketed from the lands hereinafter described under the terms of the oil and gas leases, hereinafter specified as set forth in detail on the exhibit which is marked Exhibit "A" and attached hereto.

Those certain oil and gas leases described on Exhibit "A" run to the above named assignee individually and to the heirs, successors and assigns of the assignee.

SUBLETTE COUNTY, WYOMING

EFFECTIVE AUGUST 1, 1997

The interests hereby conveyed are free of all cost and expense except severance and production taxes, including windfall profit taxes, and other taxes levied and assessed upon the overriding royalty share of production hereby assigned, and shall be accounted for and paid for on a monthly basis. If the assignee does not elect to take in kind his proportionate share of the oil or gas affected by this assignment then the assignor or any other operator of said lease shall sell such royalty oil and/or gas at a price not less than the best available competitive price for same and cause the purchaser thereof to make direct payment to assignee.

This overriding royalty conveyed by assignor and accepted by the assignee subject to the terms of the oil and gas leases, operating agreements, communitization agreements, pooling agreements, and all other contracts binding upon said leases. These assignments shall cover all leases issued as extensions, or renewals of the attached referenced leases, and leases issued as a substitute for same.

IN WITNESS WHEREOF, this document is executed this 16th day of June, 1997.

262502

RECORDED June 24 1997 M 2:05p
IN BOOK 105 016 PAGE 19
FEES $ 9.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

ROBERT W. SCOTT

STATE OF Colorado)
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me by Robert W. Scott this 16 day of June, 1997.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission Expires:

GERRY KEISER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/11/2000

Gerry Keiser
Notary Public

EXHIBIT "A"
ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS
IN OIL AND GAS LEASES

LEASE NO. & DATE	DESCRIPTION
	Sublette County, Wyoming
W-9578 12-1-67	Township 28 North, Range 114 West, 6th P.M. Sec. 3: Lots 7,8,9,10,15,16,17,18 Sec. 4: Lots 5 thru 20 Sec. 5: Lots 5,6,13,20, S1/2NE1/4, NW1/4SE1/4 Sec. 9: N1/2 Sec. 10: NW1/4 Containing 1660.69 acres M/L, subject to Fogarty Creek Unit (Surface of ground to 8838' below the surface only Fogarty Creek #3-4 Sec. 4, Lots 15,16,17, & 18)
W-15747 11-1-68	Township 27 North, Range 112 West, 6th P.M. Sec. 2: Lots 1,2,3,5,6,7, S1/2NE1/4, SE1/4NW1/4 Containing 284.11 acres, M/L
W-36439 10-1-72	Township 32 North, Range 114 West Sec. 9: Lots 1,2,3,4, S1/2N1/2, S1/2 Sec. 21: E1/2 Sec. 22: All Sec. 23: W1/2 Sec. 26: NW1/4 Containing 1973.64 acres M/L subject to Castle Creek Unit participating area
State of Wyoming Lease 66-15523 10-2-66	Township 27 North, Range 112 West, 6th P.M. Sec. 36: All Containing 640.00 acres, M/L

Form 3000-3a
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

BUREAU OF LAND MANAGEMENT
97 FEB 24 AM 9:00

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 (42 U.S.C. 6508)

Lease Serial No.

W-51347

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)* Backer Resources, Inc.
   Street 455 Granville Street, Suite 200
   City, State, ZIP Code Vancouver, British Columbia, Canada V6C-1T1

*If more than one transferee, check here ☐ and list the name(s) and address(es) of all additional transferees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
INSOFAR AS SAID LEASE COVERS: Township 27 North, Range 111 West, 6th PM: Section 6: S/2NE/4, SE/4 Section 7: NE/4 Section 8: NW/4, N/2SW/4 Sublette County, Wyoming This Assignment is limited to operating rights from the surface of the earth down to Second Bench of the Second Frontier formation or to a depth of 10,650 feet. whichever is the greater.	0.6%	0.6%	-0-	-0-	of record

262603

RECORDED Oct 8 1997 9:25 M
IN BOOK 108 PAGE 11
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Burton

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

FOR ASSIGNEE

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 MAR 01 1997

By /s/ Joe Vialpando (Authorized Officer)

LAND LAW EXAMINER (Title)

MAY 15 1997 (Date)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional transferees in Item No. 1, if needed, or for Land Description in Item No. 2 if needed.

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, national, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Transferee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Transferee is not in violation of sec. 41 of the Mineral Leasing Act.

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 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 31 day of Jan, 19 97

Name of Transferor Canadian Arctic Petroleums, Inc.
Please type or print

Transferor _____
(Signature)

or

Attorney-in-fact Zan Aycock
(Signature)

717 - 7th Avenue SW, Suite 1900
(Transferor's Address)

Calgary, Alberta, Canada T2P-0Z3
(City) (State) (Zip Code)

Executed this 13th day of Feb, 19 97

Backer Resources, Inc.

Transferee _____
(Signature)

or

Attorney-in-fact David Mercier, President
(Signature)

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

[redacted] [redacted] [redacted]

FOGARTY CREEK UNIT

Form 3000-3
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 MAY 30 AM 9:00

RECEIVED
PINEDALE, WYOMING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
W 20034
Lease Effective Date (Anniversary Date)
November 1, 1968
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

JOHN M. BEARD & ELLY B. BEARD, TRUSTEES
JOHN M. BEARD TRUST DATED 11/06/92 FBO JOHN M. BEARD
1405 UNION PLAZA - 3030 NORTHWEST EXPRESSWAY
OKLAHOMA CITY, OKLAHOMA 73112-5466

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 28 North, Range 114 West, 6th P.M., Sublette County, Wyoming: Section 33: NW¼ NE¼ containing 40 acres, more or less	25% of 3% = .75%	25% of 3% = .75%	NONE	NONE	NONE

262758

RECORDED July 17 1992 10:15 AM
IN BOOK 105 Oth Rec'd PAGE 13
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

_____
(Title)

_____
(Date)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

STATE OF OKLAHOMA)
) ss:
COUNTY OF OKLAHOMA)

Before me the undersigned, a Notary Public, in and for said County and State, on this 1st day of April, 1997, personally appeared John M. Beard and Elly B. Beard, to me known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My Commission Expires: 4/7/98

Elizabeth L McClam
Notary Public

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, national, or resident alien of the United States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 1st day of April, 1997

Name of Assignor as shown on current lease JOHN M. BEARD
Please type or print

Assignor or Attorney-in-fact: John M. Beard
JOHN M. BEARD (Signature)

1405 UNION PLAZA
3030 NORTHWEST EXPRESSWAY
(Assignor's Address)

OKLAHOMA CITY, OKLAHOMA 73112-5466
(City) (State) (Zip Code)

Executed this 1st day of April, 1997.

JOHN M. BEARD TRUST

Assignee for: John M. Beard
JOHN M. BEARD, (Signature) TRUSTEE

(Signature)

Assignee: Elly B. Beard
ELLY B. BEARD, TRUSTEE

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

[redacted] [redacted] FOGARTY CREEK UNIT [redacted]

Form 3000-3
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 MAY 30 AM 9:00

RECEIVED
CHEYENNE, WYOMING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
W 15753

Lease Effective Date
(Anniversary Date)
November 1, 1968

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

JOHN M. BEARD & ELLY B. BEARD, TRUSTEES
JOHN M. BEARD TRUST DATED 11/06/92 FBO JOHN M. BEARD
1405 UNION PLAZA - 3030 NORTHWEST EXPRESSWAY
OKLAHOMA CITY, OKLAHOMA 73112-5466

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 (Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.) a	Percent of Interest Owned b	Conveyed c	Retained d	Percent of Overriding Royalty or Similar Interests Reserved e	Previously reserved or conveyed f
Township 28 North, Range 114 West, 6th P.M., Sublette County, Wyoming: Section 28: SW¼ SE¼ containing 40 acres, more or less	25% of 3% = .75%	25% of 3% = .75%	NONE	NONE	NONE

262759

RECORDED July 17 1997 10:15 AM
IN BOOK 105 of Leases PAGE 15
FEES $8.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Euston

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

_____
(Title)

_____
(Date)

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

STATE OF OKLAHOMA)
) ss:
COUNTY OF OKLAHOMA)

Before me the undersigned, a Notary Public, in and for said County and State, on this 1st day of April, 1997, personally appeared John M. Beard and Elly B. Beard, to me known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My Commission Expires 7/19/98

Elizabeth L McHam
Notary Public

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, national, or resident alien of the United States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 1st day of April, 1997

Name of Assignor as shown on current lease JOHN M. BEARD
Please type or print

Assignor JOHN M. BEARD (Signature)

Attorney-in-fact

(Signature)

1405 UNION PLAZA
3030 NORTHWEST EXPRESSWAY
(Assignor's Address)

OKLAHOMA CITY, OKLAHOMA 73112-5466
(City) (State) (Zip Code)

Executed this 1st day of April, 1997.

JOHN M. BEARD TRUST

Assignee JOHN M. BEARD, (Signature) TRUSTEE

Attorney-in-fact

(Signature)

Assignee: ELLY B. BEARD, TRUSTEE

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

Producers 88—Re.
Wyoming (U)
(12-56)

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 1st day of April 19 97, by and between Margaret E. Conwell Trust

X of _____, hereinafter called lessor (whether one or more), and Starwood, Inc., a Texas Corporation of P.O.Box 200,Basalt,CO 81621, hereinafter called lessee:

WITNESSETH: that lessor, for and in consideration of ten and more DOLLARS ($ 10.00) in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

Township 33 North, Range 112 West, 6th P.M.
Section 27: S/2NW/4, W/2NE/4, S/2
Section 34: N/2NE/4, SE/4NE/4
Section 35: W/2, SW/4NE/4, SE/4
Township 32 North, Range 112 West, 6th P.M.
Section 10: Lot 1,2, & 3

262761

RECORDED Oct. 17 1997 10:55 A.M.
IN BOOK 105 OF MISC., PAGE 17
FEES $6.00
SUBLETTE COUNTY, WYOMING COUNTY CLERK
By Cathy Sexton

of Section _____, Township _____, Range _____, It being the purpose and intent of lessor to lease, and lessee does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 1196.39 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from October 24, 1997 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after such such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price of the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth (1/8) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth (1/8) of the prevailing market price at the well for the gas so used.

If no well be commenced on said land on or before one year from the date hereof, this lease shall (except as otherwise provided in this paragraph) terminate, unless lessee (or someone in his behalf), on or before such date, shall pay or tender to lessor, or to lessor's credit in the

X Wells Fargo _____ Bank at P.O. Box 5825 Denver, CO

(which bank and its successors shall continue as the depository regardless of changes in the ownership of said land or of the right to receive rentals), the sum of $1.00 per net acre DOLLARS ($ _____), which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 months from said date. In like manner and upon like payments or tenders, the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof. All payments or tenders may be made by cash, check or draft, mailed or delivered on or before the rental date, and the depositing of such cash, check or draft in any post office, addressed to the depository bank or lessor (at his last known address as shown by lessee's records) on or before the rental date, shall be deemed payment or tender as herein provided. Notwithstanding the death of lessor, payment or tender of rentals to such deceased or to his credit in the manner provided herein shall be binding on the heirs, devisees, executors, administrators and personal representatives of lessor and his successors in interest. If lessee shall, on or before any rental date, make a bona fide attempt to pay or deposit rental to a lessor entitled thereto under this lease according to lessee's records or to a lessor who, prior to such attempted payment or deposit, has given lessee notice, in accordance with the terms of this lease hereinafter set forth, of his right to receive rental, and if such payment or deposit shall be erroneous in any regard (whether deposited in the wrong depositary, paid to persons other than the parties entitled thereto as shown by lessee's records, in an incorrect amount, or otherwise), lessee shall be unconditionally obligated to pay to such lessor the rental properly payable for the rental period involved, but this lease shall be maintained in the same manner as if such erroneous rental payment or deposit had been properly made, provided that the erroneous rental payment or deposit be corrected within 30 days after receipt by lessee of written notice from such lessor of such error accompanied by any documents and other evidence necessary to enable lessee to make proper payment. The consideration first recited herein, the down payment, covers not only the privilege granted to the date when said first rental is payable as aforesaid, but also lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be completed as a dry hole, then, and in that event, if a second well is not commenced on said land within 12 months from the expiration of the last rental period for which rental has been paid (it being understood that for the purpose of this paragraph the period of time extending from the date of this lease to the first rental date shall be considered as a rental period for which rental has been paid), this lease shall terminate as to both parties, unless lessee on or before the expiration of said 12 months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. Upon resumption of the payment of rentals, as above provided, the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in rental payments.

If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated 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 therefrom is sold or used off the premises or 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 will 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 and gas-condensate 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 the 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, or, if this lease does not provide for any delay rental, then the sum of $50.00; provided that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any 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 depository bank above designated. 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.

If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is referred to or described herein, all rentals and royalties herein provided shall be paid lessor only in the proportion which his interest bears to the whole and undivided mineral fee.

If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied covenants hereof shall extend to the sublessees, successors and assigns of the parties; and in the event of an assignment or subletting by lessee, lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or implied. No change in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of the right to receive rentals or royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessee (except at lessee's option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party. If this lease is assigned or sublet insofar as it covers only a part of the acreage embraced in the leased premises, the delay rentals hereinabove provided for shall be apportioned to the separate parts, rateably according to the surface acreage of each, and failure of the leasehold owner or sublessee of any separate part of the above described lands to make a rental payment with respect to such part shall in no event operate to terminate or affect this lease insofar as it covers any other part thereof.

Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in the leased premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release. In event of a release of this lease as to all rights in only a part of the acreage embraced in the leased premises, thereafter the delay rentals hereinabove provided for shall be reduced proportionately on an acreage basis.

Lessee shall have the right to unitize all or any part of the above described lands with other lands in the same general area by entering into a unit agreement setting forth a plan of development or operation approved by the Secretary of the Interior, or other officer or representative of the United States having authority to approve such unit agreements, and, from time to time, with like approval, to modify, change or terminate any such agreement. In any of such events, the terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions and provisions of such approved unit agreement, and all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such agreement, and this lease shall not terminate or expire during the life of such agreement except as may be otherwise provided in said agreement. In the event that said above described lands, or any part thereof, shall hereafter be operated under any such unit agreement whereby the production thereunder is allocated to different portions of the land covered by said agreement, then the production allocated to any particular tract of land pursuant to such agreement shall, for the purpose of computing royalties, be regarded as having been produced from the particular tract of land to which it is allocated and not from any other tract of land and any royalty payments on such production to be made hereunder to lessor shall be based solely upon the production so allocated. Nothing herein contained shall authorize or effect any transfer of any title to any leasehold, royalty or other interest unitized pursuant hereto. Lessee's execution of such unit agreement shall be binding as to both lessor and lessee and their respective

interests. Lessee, following such execution, shall furnish lessor with a copy of such unit agreement by mail to lessor's last known address as shown by lessee's records and shall give lessor written notice of approval of the same in the same manner within a reasonable time after lessee is notified of such approval.

Lessee shall have the right to use, free of cost, oil, gas and water produced on said land for its operations thereon except water from wells of lessor. 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. No part of the surface of the leased premises shall, without the written consent of lessee, be let, granted or licensed by lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoirs, equipment, or machinery to be used for the purpose of exploring, developing or operating adjacent lands for oil, gas or other minerals.

Lessee shall bury below plow depth its pipe lines on the leased premises when requested by a lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on said premises without the written consent of the owner of the surface on which such house or barn is located. Lessee shall pay for damages to growing crops caused by its operations on said lands.

~~Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated.~~ Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any of the express or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, lack of market, act of God, strike, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

Lessor hereby releases and waives all rights in the leased premises under and by virtue of the homestead exemption laws of the State of Wyoming insofar as the same may in any way affect the purposes for which this lease is made.

Wells Fargo Bank, N.A., formerly First Interstate Bank of Denver, N.A., Agent for First Interstate Bank of Wyoming, N.A., Successor Trustee under the Will of Margaret E. Conwell FBO Barbara Gildea Trust executes the foregoing instrument solely in their capacity as Successor Trustee and not in their corporate or individual capacities, make no warranties or representation of title either express or implied, and any liability asserted against said Successor Trustee because of their execution of this instrument shall be satisfied solely from assets held by them as such Successor Trustee, at the time of such assertion.

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

Witness:

Carol A Ward

Carol A. Ward, Banking Officer

Wells Fargo Bank, N.A., formerly First Interstate Bank of Denver, N.A., Agent for First Interstate Bank of Wyoming, N.A., Successor Trustee under the Will of Margaret E. Conwell FBO Barbara Gildea Trust

Terry L. Oliver, Vice President & Trust Off.

STATE OF .....
COUNTY OF ..... } SS.

(Individual—Wyo.)

On this ..... day of ....., 19....., before me personally appeared .....
....., 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.

My commission expires:

.....

Notary Public

STATE OF Colorado
COUNTY OF Denver } SS.

On this 9th day of June, 19 97, before me appeared Terry L. Oliver, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Wells Fargo Bank, N.A., a corporation, and that the seal affixed to the foregoing 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 Carol A. Ward acknowledged said instrument to be the free act and deed of said corporation.

My commission expires:

My Commission Expires May 9, 2000

Judith C Wyman
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Certificate of Recording)

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

Register of Deeds

By .....
Deputy

AFTER RECORDING, RETURN TO: .....

9

0058561-006
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned Sandra Wohrman, 17807 Joshua Circle, Fountain Valley, California 92708, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 29: NENE, S2NE, SE
Containing 280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 14 day of April, 1997.

Sandra E. Wohrman

262762

RECORDED July 17, 1997 11:20AM
IN BOOK 105 Or 6 PAGE 19
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING By Cathy Saxton

m:\lease\ratio&gl.doc

STATE OF California
County of Orange } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 14th day of April, 19 97, personally appeared Sandra Ellen Wehrman

personally known to me to be the identical person.... who executed the within and foregoing instrument, and acknowledged to me that 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 official signature and affixed my official seal the day and year first above written.

Notary Public — California
ORANGE COUNTY
My Comm. Expires DEC 11, 1998

My commission expires Dec. 11, 1998

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this.....day of....., 19....., personally appeared .....

personally known to me to be the identical person.... who executed the within and foregoing instrument, and acknowledged to me that..... 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 official signature and affixed my official seal the day and year first above written.

My commission expires.....

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR CORPORATION)

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

to me known to be the identical person.... who subscribed the name of the maker thereof to the foregoing instrument as its..... and acknowledged to me that.....executed the same as.....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.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

No.
FROM
TO
Date
Section
No. of Acres
, 19
, Township , Range
County,
Term
STATE OF
County of } ss.
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.
By
Registrar of Deeds—County Clerk
Deputy
Record and Mail to:

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

and .....

to me known to be the identical person.... who executed the within and foregoing instrument by.....mark.....

in my presence and in the presence of..... and .....as witnesses, and acknowledged to me that.....

executed the same as.....free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

0058561-006
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned John Robert Kvenild, 237 Sunflower, Casper, WY 82604, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 29: NENE, S2NE, SE
Containing 280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 8 day of April, 1997.

John Robert Kvenild

262763

RECORDED July 17, 1997 11:00 AM
IN BOOK 105 016 PAGE 21
FEES $ 8.00 M. L. L. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYO.
By Cathy Barker

w:\lease\ratok.gl.doc

STATE OF WYOMING
County of NATRONA } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 8TH day of APRIL, 19 97, personally appeared JOHN ROBERT KVENILD

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that he 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 official signature and affixed my official seal the day and year first above written.

My commission expires Feb 24, 1999

Notary Public

STATE OF
County of } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this day of, 19, personally appeared

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that 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 official signature and affixed my official seal the day and year first above written.

My commission expires

Notary Public

STATE OF
County of } ss.

(ACKNOWLEDGMENT FOR CORPORATION)

On this day of A. D., 19, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared

to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its and acknowledged to me that executed the same as 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.

Given under my hand and seal of office the day and year last above written.

My commission expires

Notary Public

No.
FROM
TO
Date 19
Section Township Range
No. of Acres County,
Term
STATE OF } ss.
County of
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.
Register of Deeds—County Clerk
By Deputy
Record and Mail to:

STATE OF
County of } ss.

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this day of A. D., 19, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared

and

to me known to be the identical person who executed the within and foregoing instrument by mark

in my presence and in the presence of and

as witnesses, and acknowledged to me that executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

0058561-006
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned William J. Kvenild, 1155 Frontiera Drive, Laramie, WY 82070, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 29: NENE, S2NE, SE
Containing 280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 4th day of April, 1997.

William J. Kvenild

262764

RECORDED July 17, 1997 11:00 AM
BOOK 105 PAGE 23
8.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton COUNTY CLERK

m:\lease\ratoil.gl.doc

STATE OF Wyoming
County of Albany } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 4 day of April, 19 97, personally appeared William J Kould

personally known to me 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, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My Commission Expires May 17, 1998

My commission expires 5-17-98

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this ..... day of ....., 19....., personally appeared .....

personally known to me to be the identical person..... who executed the within and foregoing instrument, and acknowledged to me that..... 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 official signature and affixed my official seal the day and year first above written.

My commission expires.....

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR CORPORATION)

On this ..... day of ..... A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared .....

to me known to be the identical person..... who subscribed the name of the maker thereof to the foregoing instrument as its..... and acknowledged to me that ..... executed the same as ..... 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.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

No. _____ FROM _____ TO _____

Date _____, 19____

Section _____, Township _____, Range _____

No. of Acres _____ County, _____ Term _____

STATE OF _____ } ss.
County of _____

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

By _____ Deputy

Registrar of Deeds—County Clerk

Record and Mail to:

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this ..... day of ..... A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared .....

and .....

to me known to be the identical person..... who executed the within and foregoing instrument by ..... mark ..... in my presence and in the presence of ..... and ..... as witnesses, and acknowledged to me that ..... executed the same as ..... free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

NOTE—The signature by mark of a lesser who cannot write his name must be witnessed by two witnesses, one of whom must write lesser's name near such mark.

0058561-006
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned Thomas Daniel O'Neil, III, 14952 WCR 6, Fort Lupton, CO 80621, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 29: NENE, S2NE, SE
Containing 280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 7th day of April, 1997.

Thomas Daniel O'Neil III

262765

RECORDED July 17, 1997 11:00 AM
BOOK 105 D+G PAGE 25
$8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorten

m:\lease\ratoil.gl.doc

26

STATE OF Colorado
County of Weld } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 7th day of April, 1997,
personally appeared Thomas Daniel O'Neil III

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that free and voluntary act and deed, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My commission expires 7-31-2000

Notary Public

STATE OF
County of } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this day of, 19,
personally appeared

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that 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 official signature and affixed my official seal the day and year first above written.

My commission expires

Notary Public

STATE OF
County of } ss.

(ACKNOWLEDGMENT FOR CORPORATION)

On this day of A. D., 19, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared

to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its and acknowledged to me that executed the same as 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.

Given under my hand and seal of office the day and year last above written.

My commission expires

Notary Public

No.

FROM

TO

Date 19

Section Township Range

No. of Acres County,

STATE OF Term

County of } ss.

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.

By

Registrar of Deeds—County Clerk

Deputy

Record and Mail to:

STATE OF
County of } ss.

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this day of A. D., 19, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared
and
to me known to be the identical person who executed the within and foregoing instrument by mark
in my presence and in the presence of and
as witnesses, and acknowledged to me that
executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

0058561-009
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned Sandra Wohrman, 17870 Joshua Circle, Fountain Valley, California 92708, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Ncil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 20: E2SE
Section 21: NWNE, S2NE, SE, W2
Section 22: NWSW
Section 28: N2N2, S2NW, S2
Containing 1,280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 14 day of April, 1997.

Sandra E. Wohrman

262766

RECORDED July 17 1997 11:20 A.M.
BOOK 105 PAGE 27
FEE $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING By Cathy Saxton

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STATE OF California
County of Orange } ss. *(ACKNOWLEDGMENT FOR INDIVIDUAL)*

Before me, the undersigned, a Notary Public, in and for said County and State, on this 14th day of April 97, personally appeared Sandra Ellen Wohrman

personally known to me to be the identical person.... who executed the within and foregoing instrument and acknowledged to me that she 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 official signature and affixed my official seal the day and year first above written.

OFFICIAL SEAL
Notary Public — California
ORANGE COUNTY
My Comm. Expires DEC 11, 1998

My commission expires Dec. 11, 1998

Notary Public

STATE OF .....
County of ..... } ss. *(ACKNOWLEDGMENT FOR INDIVIDUAL)*

Before me, the undersigned, a Notary Public, in and for said County and State, on this.....day of....., 19....., personally appeared .....

personally known to me to be the identical person.... who executed the within and foregoing instrument, and acknowledged to me that..... 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 official signature and affixed my official seal the day and year first above written.

My commission expires.....

Notary Public

STATE OF .....
County of ..... } ss. *(ACKNOWLEDGMENT FOR CORPORATION)*

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

to me known to be the identical person.... who subscribed the name of the maker thereof to the foregoing instrument as its..... and acknowledged to me that.....executed the same as.....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.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

No.____
FROM
TO
19____
Date
Township____, Range____
Section____
County, ____
No. of Acres____
Term____

STATE OF ____ } ss.
County of ____
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.

Registrar of Deeds—County Clerk

By____ Deputy

Record and Mail to:

STATE OF .....
County of ..... } ss. *(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)*

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

and.....

to me known to be the identical person.... who executed the within and foregoing instrument by.....mark.....

in my presence and in the presence of.....and.....as witnesses, and acknowledged to me that.....

executed the same as.....free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

[redacted] [redacted] [redacted]

0058561-009
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned John Robert Kvenild, 237 Sunflower, Casper, WY 82604, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 20: E2SE
Section 21: NWNE, S2NE, SE, W2
Section 22: NWSW
Section 28: N2N2, S2NW, S2
Containing 1,280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 8 day of April, 1997.

John Robert Kvenild

262767

RECORDED July 17, 1997 11:20AM
BOOK 105 Oto PAGE 29
$8.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cora Burton

m:\lease\ratio&gl.doc

30.

STATE OF WYOMING }
County of NATRONA } ss. *(ACKNOWLEDGMENT FOR INDIVIDUAL)*

Before me, the undersigned, a Notary Public, in and for said County and State, on this 8th day of April 19 97
personally appeared JOHN ROBERT KVENILD

personally known to me 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, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

My commission expires Feb. 24, 1999

Notary Public

STATE OF }
County of } ss. *(ACKNOWLEDGMENT FOR INDIVIDUAL)*

Before me, the undersigned, a Notary Public, in and for said County and State, on this day of 19
personally appeared

personally known to me to be the identical person.... who executed the within and foregoing instrument, and acknowledged to me that 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 official signature and affixed my official seal the day and year first above written.

My commission expires

Notary Public

STATE OF }
County of } ss. *(ACKNOWLEDGMENT FOR CORPORATION)*

On this day of A. D., 19, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared

to me known to be the identical person.... who subscribed the name of the maker thereof to the foregoing instrument as its and acknowledged to me that executed the same as 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.

Given under my hand and seal of office the day and year last above written.

My commission expires

Notary Public

No. FROM TO

Date 19

Section Township Range

No. of Acres County

STATE OF Term

County of } ss.

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.

Registrar of Deeds—County Clerk

By Deputy

Record and Mail to:

STATE OF }
County of } ss. *(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)*

On this day of A. D., 19, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared

and

to me known to be the identical person.... who executed the within and foregoing instrument by mark
in my presence and in the presence of and
as witnesses, and acknowledged to me that
executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

[redacted] [redacted] [redacted]

0058561-009
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned William J. Kvenild, 1155 Frontiera Drive, Laramie, Wyoming 82070, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 20: E2SE
Section 21: NWNE, S2NE, SE, W2
Section 22: NWSW
Section 28: N2N2, S2NW, S2
Containing 1,280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 4th day of April, 1997.

William J. Kvenild

262768

RECORDED July 17, 1997 11:20 A.M.
BOOK 105 OR PAGE 31
8.00 COUNTY CLERK
SUBLETTE, PINEDALE, WYOMING
By Cathy Swaton

m:\lease\rato&gl.doc

STATE OF Wyoming
County of Albany } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 4 day of April, 19 97, personally appeared William T Kvenild

personally known to me 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, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my official seal the day and year first above written.

Lori L. Thiemann — Notary Public — County of Albany — State of Wyoming — My Commission Expires May 17, 1998

My commission expires 5-17-98

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this.....day of....., 19....., personally appeared .....

personally known to me to be the identical person who executed the within and foregoing instrument, and acknowledged to me that 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 official signature and affixed my official seal the day and year first above written.

My commission expires.....

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR CORPORATION)

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its..... and acknowledged to me that.....executed the same as.....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.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

No.
FROM
TO
19
Date
Township, Range
Section
County,
No. of Acres
Term
STATE OF
County of } ss.
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.
Fee.
Registrar of Deeds—County Clerk
By Deputy
Record and Mail to:

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

and .....

to me known to be the identical person who executed the within and foregoing instrument by.....mark..... in my presence and in the presence of..... and .....as witnesses, and acknowledged to me that.....

executed the same as.....free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

0058561-009
67 Reservoir Prospect

RATIFICATION OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That for a valuable consideration, receipt of which is hereby acknowledged, the undersigned Thomas Daniel O'Neil, III, 14952 WCR 6, Fort Lupton, Colorado 80621, does hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 23rd day of March, 1994, between C. R. O'Neil, a widower, of P. O. Box 457, Thayne, Wyoming, owner of a life estate in the mineral interest leased therein, as lessor and Contex Energy Company, 1645 Court Place, Suite 212, Denver, CO 80202 as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 30 North, Range 112 West, 6th P. M.
Section 20: E2SE
Section 21: NWNE, S2NE, SE, W2
Section 22: NWSW
Section 28: N2N2, S2NW, S2
Containing 1,280.00 acres, more or less,

and do hereby grant, lease and let the land described in said lease unto the above named lessee, its heirs, successors and assigns, upon the terms and conditions and subject to the provisions of said lease, and said lease is by reference made a part hereof with the same force and effect as if the undersigned had originally joined in the execution thereof as lessor; except that the undersigned direct the owner of said lease, above referred to, to pay all delay rentals which may accrue under the terms of said lease to C. R. O'Neil, his heirs, successors, administrators or assigns as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 7th day of April, 1997.

Thomas Daniel O'Neil III

262769

RECORDED July 17 1997 11:20AM
BOOK 105 Opt6 PAGE 33
FEE $8.00 Mary L. Lyon COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Burton

m:\lease\ratio&gl.doc

STATE OF Colorado
County of Weld } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 7th day of April, 1997, personally appeared Thomas Daniel O'Neil III

personally known to me to be the identical person.... who executed the within and foregoing instrument, and acknowledged to me that.....
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 official signature and affixed my official seal the day and year first above written.

My commission expires 7-31-2000

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this.....day of....., 19.....,
personally appeared .....

personally known to me to be the identical person.... who executed the within and foregoing instrument, and acknowledged to me that.....
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 official signature and affixed my official seal the day and year first above written.

My commission expires.....

Notary Public

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT FOR CORPORATION)

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....

to me known to be the identical person.... who subscribed the name of the maker thereof to the foregoing instrument as its.....
and acknowledged to me that.....executed the same as.....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.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

No.....
FROM
TO
Date 19....
Section.....Township.....Range.....
No. of Acres.....County.....Term.....
STATE OF .....
County of ..... } ss.
This instrument was filed for record on the.....day of.....19....
of.....o'clock.....M., and duly recorded
at.....page.....of the
in book.....of this office.
records of the.....

Registrar of Deeds—County Clerk

By.....Deputy

Record and Mail to:

STATE OF .....
County of ..... } ss.

(ACKNOWLEDGMENT WHERE THE LESSOR SIGNS BY MARK)

On this.....day of.....A. D., 19....., before me, the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared.....
and .....
to me known to be the identical person.... who executed the within and foregoing instrument by.....mark.....
in my presence and in the presence of.....and
.....as witnesses, and acknowledged to me that.....
executed the same as.....free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires.....

Notary Public

NOTE—The signature by mark of a lessor who cannot write his name must be witnessed by two witnesses, one of whom must write lessor's name near such mark.

Form 3000-3a
(October 1992)

Big Piney Mesaverde
50358-000

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

Lease Serial No.
W-0231772

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)* Enron Oil & Gas Company
   Street P.O. Box 4362
   City, State, ZIP Code Houston, TX 77210-4362

*If more than one transferee, check here ☐ and list the name(s) and address(es) of all additional transferees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 28 North, Range 113 West, 6th P.M. Section 2: SW/4NW/4, NW/4SW/4 Section 3: Lots 5, 6, S/2NE/4, NE/4SE/4 Sublette County, Wyoming Containing 276.07 acres, more or less. Insofar as lease covers the "P Sand Reservoir" which is defined as being that reservoir of oil, associated gas, and other associated hydrocarbons from which the Belco E-13 well, located in the NE/4SW/4 of Section 31 - Township 29 North, Range 112 West, produces oil and associated gas from the depth interval 2666' to 2767'. This Transfer of Operating Rights is made in conjunction with that certain Assignment and Bill of Sale effective December 1, 1996, between the parties hereto.	52.50%	52.50%	-0-	-0-	Burdens of Record

262783

RECORDED Dec 18 1997 10:45 AM
IN BOOK 105 PAGE 35
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
Peg Cathy Sexton

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE
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 Names and addresses of additional transferees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 2nd day of June, 1997, by R. B. Wilson as Attorney-in-Fact of Amoco Production Company

WITNESS my hand and official seal.

My Commission Expires:
May 25, 2001

Joyce L. Sharif
Notary Public

JOYCE L. SHARIF NOTARY PUBLIC STATE OF COLORADO

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, national, or resident alien of the United States or association 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 assignment are located; (c) Transferee's chargeable interest, direct or indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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 (43CFR Group 3100 or 3200) and the authorizing Acts; (e) Transferee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17 (g) of the Mineral Leasing Act; and (f) Transferee is not in violation of sec. 41 of the Mineral Leasing Act.

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 geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 2nd day of June ,19 97
however, effective December 1, 1996
Name of Transferor Amoco Production Company
Please type or print

Transferor or Attorney-in-fact R. B. Wilson

P. O. Box 800
(Transferor's Address)

Denver, Colorado 80201-0800
(City) (State) (Zip Code)

Executed this 25th day of June ,19 97

Enron Oil & Gas Company

Transferee Agent & Attorney-in-fact D. Weaver
KN

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503

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: 1992-774-017 / 67023

[redacted] [redacted] [redacted]

97 FEB 23 AM 11:01

Communitization Agreement

Contract No WYW 141457

THIS AGREEMENT, entered into as of the 7th day of April, 1997, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto".

WITNESETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 27 North, Range 112 West, 6th P.M.
Section 12: NW/4

containing 160.00 acres, and this agreement shall include only the Bear River formation underlying said lands and the natural gas and associated liquid hydrocarbons hereinafter referred to as "communitized substances", producible from such formation.

262784

RECORDED Oct 10 1997 10:45 A M
IN BOOK 105 PAGE 37
FEES $ 18.00
SUBLETTE COUNTY, PINEDALE, WYOMING

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.

5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. This agreement is effective February 1, 1997, upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Bear River formation for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided that, prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to

Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. 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 separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

ENRON OIL & GAS COMPANY

_____ DATE: April 7, 1997

By: D. Weaver

Title: Agent and Attorney-in-Fact

m:\pl\3800.doc

WORKING INTEREST OWNERS:

PRESIDIO EXPLORATION, INC.
(Forced Pooled, Cause No. 2, Order No. 2, Docket No. 283-96)

By: N/A

Title: _____

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 7th day of April, 1997, by D. Weaver as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

2-23-98

Erin Britt-Pendery
Notary Public

ERIN BRITT-PENDERY NOTARY PUBLIC STATE OF COLORADO

My Commission Expires Feb. 23, 1998

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

41

ELMER L. HERBALY

Elmer L Herbaly

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

_____
Joan W. Wilson

_____
Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____
Patricia Ann Bradley

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

Figure Four 4-12 well CA - NW/4 Sec 12 T27N R112W Sublette Co WY

[redacted] [redacted] [redacted]

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 9th day of April, 1997, by Elmer L. Herbaly

WITNESS my hand and official seal.

My Commission Expires:

8-6-98

Deanna M. Howell
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

Figure Four 4-12 well CA - NW/4 Sec 12 T27N R112W Sublette Co WY

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By: _____
DAVID E. KELM

Title: PRESIDENT + DIRECTOR OPERATIONS
GENERAL PARTNER

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
Gary Bond

_____
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

_____
J. William Barnett

Energetics Royalty Corporation

_____
Joan W. Wilson

By: _____

_____
Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____
Leonard Hay

_____
Patricia Ann Bradley

STATE OF Louisiana)
Parish) ss.
~~COUNTY~~ OF Orleans)

The foregoing instrument was acknowledged before me this 16th day of April, 1997, by David E. Kelm, Pres. Dakin Operating Co.

WITNESS my hand and official seal.

My Commission Expires:

10/15/99

Patricia R. Kerner
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
Gary Bond

_____
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

_____
J. William Barnett

Energetics Royalty Corporation

_____
Joan W. Wilson

By: _____

_____
Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____
Leonard Hay

_____
Patricia Ann Bradley

STATE OF Kentucky)
) ss.
COUNTY OF McCracken)

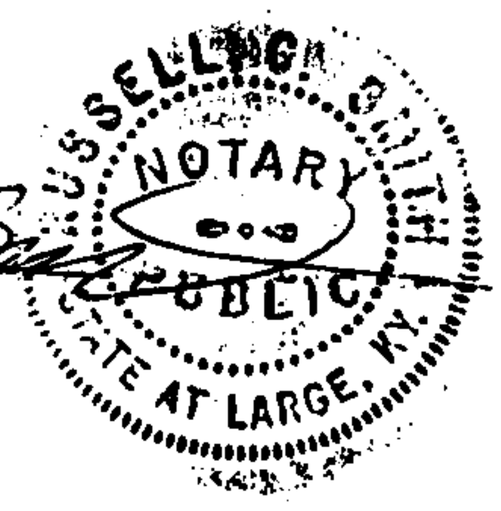
The foregoing instrument was acknowledged before me this 12th day of April, 1997, by Ross Miller

WITNESS my hand and official seal.

My Commission Expires:

9-27-2000

Notary Public



STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____

Ross Miller

Wells Fargo Bank(Colorado), N.A., Successor Trustee under the Will of Louis A. Walstrom Jr. - Anne J. Mitchell Trust executes the foregoing instrument solely in its capacity Successor Trustee and not in its corporate capacity, make no warranties or representations of title either express or implied, and any liability asserted against said Successor Trustee because of its execution of this instrument shall be satisfied solely from assets held by them as such Successor Trustee at the time of such assertion.

Wells Fargo Bank(Colorado), N.A., Successor Trustee under the Will of Louis A Walstrom, Jr. Anne J. Mitchell Trust

_____

Terry L. Oliver, Vice President & Trust Officer

_____

Carol A. Ward, Banking Officer

_____

Joan W. Wilson

_____

Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____

Patricia Ann Bradley

_____

Gary Bond

_____

J. William Barnett

Energetics Royalty Corporation

By: _____

_____

Leonard Hay

STATE OF Colorado)
)ss.
COUNTY OF Denver)

On this 9th day of April, 1997 personally appeared before me **Terry L. Oliver**, who being by me duly sworn, did say that he is the **Vice President and Trust Officer**, of Wells Fargo Bank(Colorado), N.A., a National Corporation, and that said Instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors and said **Carol A. Ward, Banking Officer** acknowledged to me that said corporation executed the same.

Judith C Wozniak, Notary Public
633 17th Street Denver, Co 80270

My Commission expires:
May 9th, 2000

JUDITH C. WOZNIAK NOTARY PUBLIC STATE OF COLORADO

My Commission Expires May 9, 2000

49

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

Jean W. Wilson Jean Wilson

_____
Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____
Patricia Ann Bradley

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

The foregoing instrument was acknowledged before me this 10 day of APRIL, 1997, by JOHN WILSON

WITNESS my hand and official seal.

My Commission Expires:

APRIL 12, 1998

Notary Public

JOEL C. ARROYO
COMM. # 1019232
Notary Public — California
SAN DIEGO COUNTY
My Comm. Expires APR 12, 1998

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

_____
Joan W. Wilson

_____
Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____
Patricia Ann Bradley

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

STATE OF Wyoming)
) ss.
COUNTY OF Sweetwater)

The foregoing instrument was acknowledged before me this 11th day of April, 1997, by Elza Eversole

WITNESS my hand and official seal.

My Commission Expires:

7-18-98

Teresa Noble
Notary Public

TERESA NOBLE - NOTARY PUBLIC
COUNTY OF SWEETWATER
STATE OF WYOMING
MY COMMISS[illegible] JULY 13, 1[illegible]

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

,Title:_____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

_____
Joan W. Wilson

_____
Elza Eversole Living Trust, Louis M. Eversole, Trustee

Patricia Ann Bradley
_____
Patricia Ann Bradley

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

STATE OF Colorado)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 14th day of April, 1997, by Patricia Ann Bradley

WITNESS my hand and official seal.

My Commission Expires:

My Commission Expires 09-05-99

LAURENE EASTERBERG NOTARY PUBLIC STATE OF COLORADO

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____

Ross Miller

_____

First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.

_____

Joan W. Wilson

_____

Elza Eversole Living Trust, Louis M. Eversole, Trustee

_____

Patricia Ann Bradley

_____

Gary Bond

_____

J. William Barnett

Energetics Royalty Corporation

By: _____

_____

Leonard Hay

STATE OF Colorado)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 15th day of April, 1997, by [illegible]

WITNESS my hand and official seal.

My Commission Expires: [illegible]

NICOLE P. KASTNER NOTARY PUBLIC STATE OF COLORADO

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1997, by _____

WITNESS my hand and official seal.

My Commission Expires:

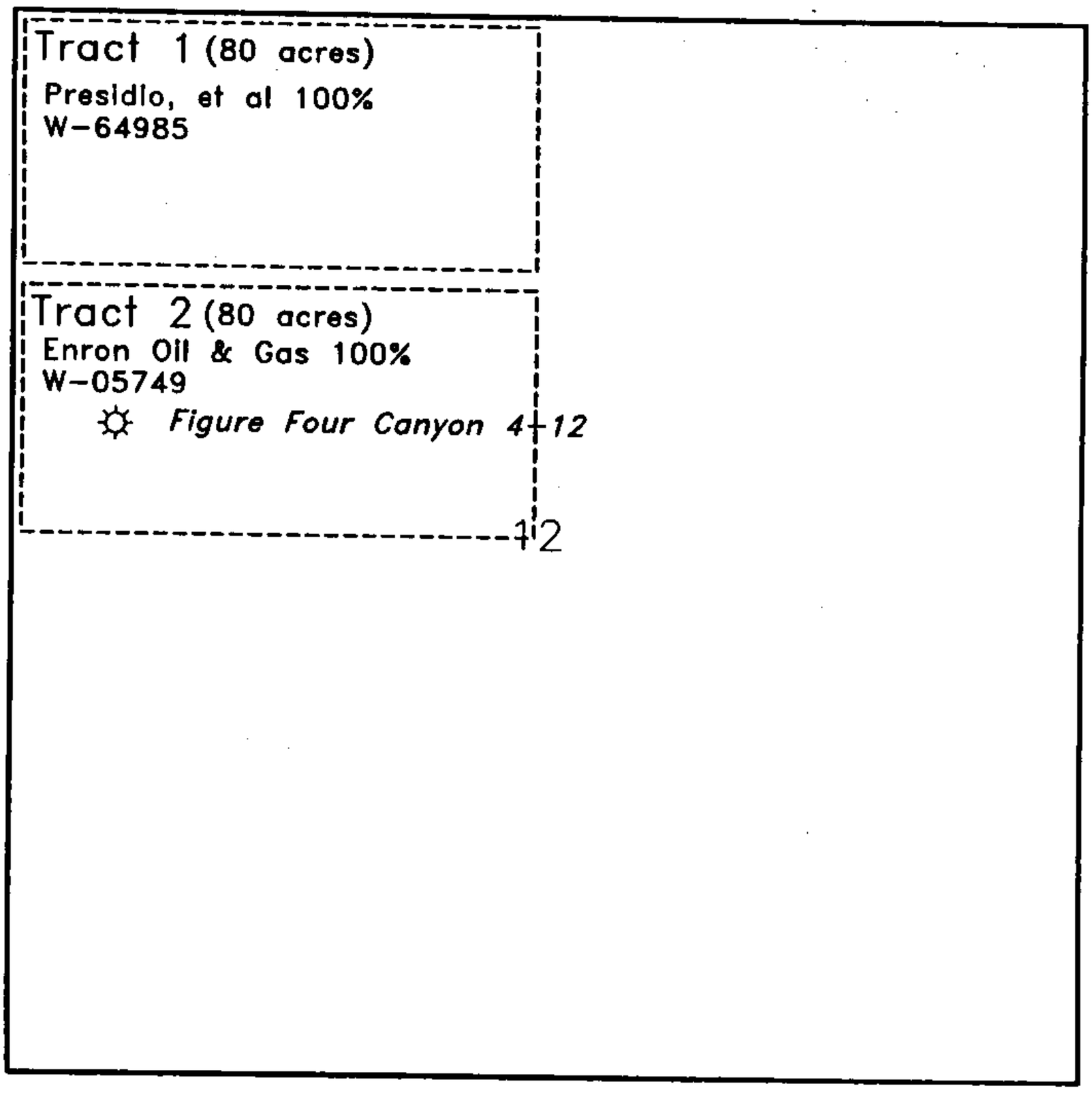
_____

Notary Public

57

EXHIBIT A

Plat of communitized area covering NW/4 – Sec. 12, T.27 N.
R. 112 W., 6th P.M., Figure Four Canyon field, Sublette County, Wyoming



1-12com

EXHIBIT "B"

To Communitization Agreement dated April 7, 1997
embracing Township 27 North, Range 112 West,
Sublette County, Wyoming

Operator of Communitized Area: Enron Oil & Gas Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:	WYW-64985
Lease Date:	10-1-78
Lease Term:	5 years (HBU)
Lessor:	United States of America
Lessee on Effective Date of Agreement if different from Present Lessee:	L.A. Walstrom, Jr.
Present Lessee:	Presidio Exploration, Inc.
Description of Lands Committed:	Township 27 North, Range 112 West, 6th P.M. Section 12: N/2NW/4
Number of Acres:	80.00
Royalty Rate:	Sliding scale (12.50% to 16.67%)

Name and Percent of ORRI Owners:

Ross Miller	1.0%
First Interstate Bank of Denver, N.A., Trustee of the Anne J. Mitchell Trust under the Will of Louis A. Walstrom, Jr.	.75%
Joan W. Wilson	.50%
Gary Bond	.25%
J. William Barnett	.25%
Energetics Royalty Corporation	1.0%

Name and Percent of WI Owners:

Presidio Exploration, Inc.	97.567255%
Elmer L. Herbaly	2.16%
GCIL III Limited Partnership	0.272745%

Tract No. 2

Lease Serial Number:	W-05749
Lease Date:	5-5-51
Lease Term:	5 years (HBP)
Lessor:	United States of America
Lessee on Effective Date of Agreement if different from Present Lessee:	Leonard Hay
Present Lessee:	Enron Oil & Gas Company
Description of Lands Committed:	Township 27 North, Range 112 West, 6th P.M. Section 12: S/2NW/4
Number of Acres:	80.00
Royalty Rate:	12.50%

ORRI Owners:

Elza Eversole Living Trust, Lois M. Eversole, Trustee	.5%
Leonard Hay	2%
Patricia Ann Bradley	.5%

Name and Percent of WI Owners:	Enron Oil & Gas Company	100%

RECAPITULATION

Tract No.	Number of Acres Committed	Percent of Interest
1	80	50%
2	80	50%
	160	100%

97 APR 23 AM 11:02

BEFORE THE WYOMING OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF WYOMING

IN THE MATTER OF A HEARING BROUGHT ON THE APPLICATION OF ENRON OIL & GAS COMPANY FOR AN ORDER FROM THE COMMISSION FORCE POOLING ALL INTEREST IN THE FCC NO.4-12 WELL IN THE FRONTIER AND BEAR RIVER (MUDDY) FORMATION, SECTION 12 TOWNSHIP 27 NORTH, RANGE 112 WEST 6TH P.M. FIGURE FOUR CANYON FIELD AREA, SUBLETTE COUNTY, WYOMING.	)	CAUSE NO. 2 ORDER NO. 2 DOCKET NO. 283-96

APPEARANCES:

THOMAS F. REESE, ATTORNEY REPRESENTING ENRON OIL & GAS COMPANY

Others in attendance were the following:

ENRON OIL & GAS COMPANY -	TIM HOWER WILL VONDREHLE
BUREAU OF LAND MANAGEMENT -	DAVE CHASE
STATE OF WYOMING -	RICHARD D MARVEL

REPORT OF THE EXAMINER

This cause came on regularly for hearing before Richard D. Marvel, duly appointed hearing examiner of the Wyoming Oil and Gas Conservation Commission at 2:40 P.M. on the 18th day of November 1996 in the Conference Room of the office of the State Oil and Gas Supervisor, 777 West First Street, Casper, Wyoming, after due and legal notice was given as required by law and as required by the Rules and Regulations of the Commission to consider the application of Enron Oil & Gas Company (Enron) for an order from the Commission force pooling all interest in the FCC No. 4-12 well in the Frontier and Bear River (Muddy) Formation's, Figure Four Canyon Field Area, Sublette County, Wyoming.

The examiner considered the documentary evidence offered at the hearing, and after a review of pertinent files in the office of the State Oil and Gas Commission, the examiner makes the following Findings of Fact, Conclusions of Law, and Order:

FINDINGS OF FACT

1. Enron is the owner of operating rights and working interest in NW¼ of Section 12, Township 27 North, Range 112 West, 6th P.M.

2. Cause 1 Order 5 Docket 282-96 established one 160 acre

109(f) and (g) for the Frontier and Bear River (Muddy) Formations in NW¼ Section 12, Township 27 North, Range 112 West, 6th P.M. Sublette County, Wyoming.

DATED this 29th day of November 1996.

WYOMING OIL AND GAS
CONSERVATION COMMISSION

/S/ James H. Magagna
Mr. James H. Magagna
Acting Chairman - Commissioner

/S/ Richard D. Marvel
Mr. Richard D. Marvel - Examiner

/S/ Gary B. Glass
Mr. Gary B. Glass
Commissioner

/S/ Elmer S. Parson
Mr. Elmer S. Parson
Commissioner

/S/ Robert E. McDougall
Mr. Robert E. McDougall,
Commissioner

BEFORE THE OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF WYOMING

IN THE MATTER OF A HEARING BROUGHT ON THE APPLICATION OF ENRON OIL & GAS COMPANY, FOR AN ORDER FROM THE COMMISSION ESTABLISHING 160-ACRE DRILLING AND SPACING UNITS FOR THE FRONTIER AND BEAR RIVER (MUDDY) FORMATIONS IN THE NW¼ OF SECTION 12, TOWNSHIP 27 NORTH, RANGE 112 WEST, FIGURE FOUR CANYON AREA, SUBLETTE COUNTY, WYOMING	CAUSE NO. 1 ORDER NO. 5 DOCKET NO. 282-96

APPEARANCES:

THOMAS F. REESE, ATTORNEY REPRESENTING ENRON OIL & GAS COMPANY

Others in attendance were the following:

ENRON OIL & GAS COMPANY - Tim Hower, Will Vondrehle

BUREAU OF LAND MANAGEMENT - Dave Chase

STATE OF WYOMING - Richard D. Marvel

REPORT OF THE EXAMINER

This cause came on regularly for hearing before Richard D. Marvel, duly appointed hearing examiner of the Wyoming Oil and Gas Conservation Commission at 2:40 P.M. on the 18th day of November 1996, in the office of the State Oil and Gas Supervisor, 777 West First Street, Casper, Wyoming, after due and legal notice was given as required by law and as required by the Rules and Regulations of the Commission, to consider the matter brought on the application of Enron Oil & Gas Company (Enron), for an order from the Commission establishing one approximate 160-acre drilling and spacing unit for the Frontier and Bear River (Muddy) Formations in the NW¼ of Section 12, Township 27 North, Range 112 West, Figure Four Canyon Field Area, Sublette County, Wyoming.

The examiner considered the documentary evidence offered at the hearing and after a review of pertinent files in the office of the State Oil and Gas Supervisor, the examiner makes the following Findings of Fact, Conclusions of Law, and Order:

FINDINGS OF FACT

1. Enron is the owner of certain operating rights and working interests in the below described lands, which is currently under Rule 302 for the Frontier and Bear River (Muddy) Formations, ie.

64

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.	WYW 05749
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME	[redacted]
9. WELL NO.	[redacted]2
10. FIELD AND POOL, OR WILDCAT	FIGURE FOUR CANYON/BEAR RIVER
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA	[redacted] 12, T27N, R112W
12. COUNTY OR PARISH	SUBLETTE,
13. STATE	WYOMING
14. PERMIT NO.	~~49-035-21164~~ 4903521554
DATE PERMIT ISSUED	10-15-96

1a. TYPE OF COMPLETION: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER	
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RES. ☐ OTHER	
2. NAME OF OPERATOR	ENRON OIL & GAS COMPANY
3. ADDRESS OF OPERATOR	P.O. BOX 250 BIG PINEY, WYOMING 83113
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)	460' FWL - 2000' FNL (SW/NW)
At top prod. interval reported below	SAME
At total depth	SAME

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (Ready to prod.)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD	
12-21-96	1-1-97	2-3-97	6926' KB	6911' PREP. GL.	
20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. ROTARY TOOLS	CABLE TOOLS	
9235'	9135'	1	ROTARY		

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)*	BEAR RIVER 9090' - 9102'
25. WAS DIRECTIONAL SURVEY MADE	NO
26. TYPE ELECTRIC AND OTHER LOGS RUN	Platform Express. CNL/LDL/Array Induction Imager. Dipole Sonic. BHC Sonic & GR/CCL
27. WAS WELL CORED	NO

CASING RECORD (Report all strings set in well)

SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
	32.3# H-40	766'	12-1/4"	160 sx Lite cement & 100 sx Class "G" cement.	NONE
	11.6# N-80	9235'	7-7/8"	750 sx Lite cement & 640 sx 50-50 Pozmix.	NONE

LINER RECORD

TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	9053'	9053'

31. PERFORATION RECORD (Interval, size and number)

RIVER 9090-94' w/3 SPF
9098-9102' w/4 SPF

32. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
9090' - 9102'	1400 bbls gelled water & 169,000# 20/40 sand.

PRODUCTION

33. DATE OF FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)						WELL STATUS (Producing or shut-in)	
2-3-97	FLOWING						PRODUCING	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO	
	24	64/64"		0 BO	700 MCFD	16 BW		
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)		
370 psig	800 psig		0 BO	700 MCFD	16 BW			

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SOLD

TEST WITNESSED BY

REYNOLDS BROWN

35. ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED Patty Carlson TITLE *Regulatory Analyst* DATE 2-6-97

*(See Instructions and Spaces for Additional Data on Reverse Side)

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

INSTRUCTIONS

[redacted] [redacted] [redacted]

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 4: If there are no Federal or State requirements, the location should be identified in accordance with any other applicable Federal requirements. Consult local State or Federal office for specific instructions.

Items 18 and 24: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Item 22: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

PRIVACY ACT

The Privacy Act of 1974 and the regulation in 43 CFR 3.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 25 U.S.C. et. seq., 43 CFR 3160

PRINCIPLE PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling of an oil or gas well on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling of the well. (2) The records of geologic zones and formations encountered during drilling. (3) Analyze future applications to drill in light of data collected and methods used. (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: Filing of this report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling and producing oil and gas on Federal and Indian oil and gas leases.

This information will be used to analyze operations and compare equipment and procedures normally used with the proposals applied for.

Response to this request is mandatory once an oil or gas well is drilled.

SUMMARY OF POROUS ZONES (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):				38 GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
				ALMY	1215'	
				MESAVERDE	4001'	
				BAXTER	5125'	
				1ST FRONTIER	8048'	
				2ND FRONTIER		
				1ST BENCH	8426'	
				2ND BENCH	8512'	
				5TH BENCH	8730'	
				MUDDY SAND	9099'	

97 APR 23 AM 11:02

070 FARMINGTON NM

66 Operator

97 APR 23 AM 11:01

FFC 4-12

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. 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.

B. Approve the attached communitization agreement covering:

Township 27 North, Range 112 West
Section 12: NW/4

as to natural gas and associated liquid hydrocarbons producible from the Bear River formation. This approval will become invalid if the public interest requirements under section 3105.2-3(c) are not met.

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

Approved: MAY 0 1 1997

Effective: FEB 0 1 1997

Robert H. Chase
Acting
Authorized Officer

Contract No.: Com. AgWYW 141457

[redacted]

[redacted] **ASSIGNMENT OF [redacted] AND GAS LEASE** [redacted]

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, **Stanley Energy, Inc.**, of 1776 Lincoln Street, Suite 410, Denver, Colorado 80203, (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 are hereby acknowledged, does hereby sell, transfer, assign and convey unto the parties listed below (hereinafter referred to as "Assignees") in the percentages set opposite each Assignee's name, one hundred percent (100%) of its right, title and interest in and to the oil and gas leases described on Exhibit "A", attached hereto and made a part hereof, insofar as said leases cover the described lands in Sublette County, Wyoming, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

Assignees	Percentage of **Interest Conveyed**
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	50.00%
John P. Lockridge 1265 Lisbon Lane Pebble Beach, California 93953	50.00%
TOTAL:	100.00%

This Assignment is made without warranty of title of any kind, either expressed or implied, except to those claiming by, through and under Assignor. The terms, covenants and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignees and their respective heirs, successors and assigns, and such terms, covenants and conditions shall be covenants running with the land.

EXECUTED and EFFECTIVE this 20th day of June, 1997.

ATTEST:

STANLEY ENERGY, INC.

By: Stephanie Bernard
Stephanie Bernard
Asst Secretary

By: Mark E. Brown
Mark E. Brown
Vice President

262827

RECORDED July 23, 1997 3:00 p.m.
BOOK 105 O&G PAGE 70
FEE $8.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Snoton

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 20th day of June, 1997 by Mark E. Brown as Vice President of Stanley Energy, Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation.

Witness my hand and notary seal.

NOTARY PUBLIC STATE OF COLORADO

Renée Davis
Notary Public

My commission expires: 4-19-99

EXHIBIT "A"
Attached to and made a part of that certain Assignment of Oil and Gas Lease
dated June 20, 1997 by and between Stanley Energy, Inc., as Assignor, and Stanley Energy W., Inc. etal, as Assignees

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-141425 Bureau of Land Management	Stanley Energy, Inc.	3/1/1997	Township 35 North, Range 115 West, 6th P.M. Section 25: All Section 26: All Section 34: All Section 35: All	3840.00	n/a	n/a

ASSIGNMENT OF OVERRIDING ROYALTY

KCS RESOURCES, INC. d/b/a KCS MOUNTAIN RESOURCES, INC. a Delaware Corporation of 5555 San Felipe, Suite 1200, Houston, TX 77056, hereinafter "KCS", for and in the consideration of the payment of One Hundred Dollars ($100.00) and other good and valuable considerations paid by David L. Hamilton of 1191 Lane 13, Worland, Wyoming 82401, hereinafter "HAMILTON",does hereby grant, bargain, sell, assign and convey to HAMILTON, as an overriding royalty, 2% of 8/8ths of all oil, gas, other hydrocarbon substances, and water, produced, saved and sold from the following:

(a) Those lands and leases specifically described in Exhibit "A" attached hereto, and in any lands or leases pooled or unitized with the leases (hereinafter, "the leases");
(b) Those lands covered by any leases taken as extensions and renewals of the leases;
(c) Those lands covered by any leases taken in lieu of the leases provided such lieu leases are taken within three (3) years from the date the underlying lease terminated;

HAMILTON agrees not to acquire leases covering lands covered by this assignment without the written consent of KCS that he may do so. This covenant shall not run with the land.

The overriding royalty above assigned shall be free and clear of all costs and expenses of development, operation and production and shall not bear any portion of post production costs but shall bear its proportionate share of all production taxes.

The overriding royalty above assigned shall be proportionately reduced in the event the mineral interest leased by any lease covers less than the entire mineral estate and, further, in the event the working interest of KCS in the lease is less than 100%. The said overriding royalty shall not bear any portion of previously reserved or assigned overriding royalties.

Dated this 9th day of April, 1996, but effective for all purposes as of July 1, 1995.

ATTEST:

KCS RESOURCES, INC. d/b/a
KCS MOUNTAIN RESOURCES, INC.

By: Carl L. Bassett

Its: Assistant Secretary

By: Dan A. Magee

Its: Vice President

WITNESS: Julie Coun

262844

DAVID L. HAMILTON

RECORDED July 24 1997 1:50 p.m.
IN BOOK 105 of Misc. PAGE 72
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Gordon

STATE OF Wyoming)
) ss
COUNTY OF Washakie)

On this 26th day of June, 1997, before me the undersigned Notary Public for said State, personally appeared Dan A. Magee, known to me to be the Vice President of KCS RESOURCES, INC. d/b/a KCS MOUNTAIN RESOURCES, INC., the corporation which executed the foregoing instrument and acknowledged to me that such corporation executed the same.

SEAL — LINDA ROESSING - NOTARY PUBLIC — County of Washakie — State of Wyoming — My Commission Expires June 2, 1998

Linda Roessing
Notary Public
My commission expires: 6/2/98

Assignment of Overriding Royalty
KCS-Hamilton

STATE OF Wyoming)
) ss
COUNTY OF Washakie)

On this 9th day of April, 1996, before me the undersigned Notary Public for said State, personally appeared David L. Hamilton, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

Kathy Loveland
Notary Public
My commission expires: 11-8-97

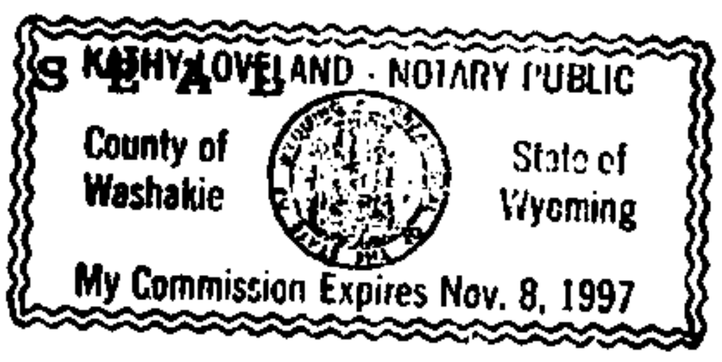


EXHIBIT "A"

STATE OF WYOMING

COUNTY OF SUBLETTE

LESSOR	LESSEE	DATE	RECORDING BOOK	RECORDING PAGE	DESCRIPTION
Federal Lease #W-015317	R.L. Manning	06/01/52			Insofar and only insofar as said lease covers and includes the following described lands: T32N, R109W, 6th P.M. Section 9: S/2SW/4, SW/4SE/4
Federal Lease #WY-08589	Jean Harmon	10/01/51			Insofar and only insofar as said lease covers and includes the following described lands: T32N, R109W, 6th P.M. Section 17: SE/4NE/4, NE/4SE/4

74

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

THIS ASSIGNMENT made this 17th day of July, 1997, by and between LEONARD HAY, of 118 3rd Street, Rock Springs, Sweetwater County, Wyoming 82901, hereinafter called "Assignor"; and LEONARD HAY, Trustee, or his successor(s) in trust under the LEONARD HAY LIVING TRUST, dated September 27, 1996, whose address is 118 3rd Street, Rock Springs, Sweetwater County, Wyoming 82901, hereinafter called "Assignee";

WITNESSETH:

For and in consideration of the sum of Ten and No/100 Dollars ($10.00), and other good and valuable consideration in hand paid by the Assignee to Assignor, receipt whereof is hereby acknowledged, Assignor does hereby sell, convey, transfer, assign and set over unto Assignee and his heirs, successors and assigns, all of the right, title, interest, claim and demand of Assignor, in and to all of the following described overriding royalty interest, to-wit:

All of Assignor's right, title and interest in and to all overriding royalty interests in certain real property located in Sublette County, Wyoming, which are described in "Exhibit A", attached hereto, and by this reference made a part hereof.

TO HAVE AND TO HOLD the overriding royalty interests hereby conveyed to Assignee, his heirs, representatives and assigns forever.

IN WITNESS WHEREOF, LEONARD HAY has hereunto set his name the day and year first above-written.

Leonard Hay
LEONARD HAY

The State of Wyoming)
: ss.
County of Sweetwater)

The foregoing instrument was acknowledged before me this 17th day of July, 1997, by LEONARD HAY.

Witness my hand and official seal.

My commission expires:

Theda A. Porter
Notary Public

THEDA A. PORTER - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES AUGUST 1, 2001

262855

FILED July 25 1997 9:00A
BOOK 105 MISC PAGE 75
FEE $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Easton

EXHIBIT A

Attachment to and made a part of that certain Assignment of Overriding Royalty Interest dated the 17th day of July, 1997, by and between Leonard Hay, Assignor, and Leonard Hay, Trustee, under the Leonard Hay Living Trust dated September 17, 1996, as Assignee.

Green River Bend Unit P/A

10th Revision to Consolidated Baxter Formation Participating Area A-B, Green River Bend Unit, Containing 3,121.36 acres.

Green River Bend Unit Frontier PA/ A-B

Seventh Revision Participating Area "A-B" for the Frontier Formation of the Green River Bend Unit, as Approved by the U.S. Geological Survey, Effective September 1, 1961 and containing 13,903.39 acres.

Green River Bend Unit Frontier P/AS - Yeaman Drilling Block

Lots 1, 3, NE/4NE/4, W/2NE/4, E/2NW/4, Section 7; Lot 3, Section 8, Township 27 North, Range 112 West, containing 279.39 acres of land, more or less.

Green River Bend Unit Frontier P/A - CP-1

Lots 2, 4, E/2SW/4, SE/4, Section 7; NW/NW/4, W/2NE/4NW/4, N/2SW/4NW/4, Section 17; NE/4, NE/4NW/4, N/2SE/4NW/4, Section 18; Township 26 North, Range 112 West, containing 579.60 acres of land, more or less.

Green River Bend Unit Frontier PA - CP-2 N/C

Lot 4, S/2SE/4NW/4, E/2SW/4, SE/4, Section 17; Lots 1, 2, 3, NE/4, E/2NW/4, NE/4SW/4, N/2SE/4, Section 19; Township 26 North, Range 112 West, containing 693.59 acres of land, more or less.

Green River Bend Unit Frontier PA/ - CP-5

Lot 12, Section 5; Lot 10, E/2SW/4 and that Portion of the SE/4 Lying West of the Green River Section 6: Township 26 North, Range 112 West, containing 260.20 acres of land more or less, as described in and subject to Pooling Agreement Carl-Pat Well #5 Area dated October 15, 1959.

Red Hill 2-18 Well

Lots 1, 2, E/2NW/4 Section 18, Township 27 North, Range 112 West.

Figure Four Canyon

N/2, Section 11: S/2N/2, SE, Section 12: E/2, Section 13, Township 27 North, Range 112 West.

Green River Bend Unit Initial Almy Formation "Birch Creek, T-5 Sands" P/A

E/2SW/4, Section 7, Township 27 North, Range 112 West

ASSIGNMENT OF OIL AND GAS LEASEHOLD INTERESTS

KNOW ALL MEN BY THESE PRESENTS:

For and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **NPC ENERGY CORP.** ("Assignor"), does hereby convey, assign, transfer and set over unto **BISON ENERGY CORPORATION** ("Assignee"), a Kansas corporation, whose mailing address is 9320 E. Central Wichita, Kansas 67206, all right, title and interest in and to the oil and gas leases described on EXHIBIT A attached hereto and made a part hereof, and reference to which is hereby made, said lands being located in SUBLETTE County, WYOMING.

This Assignment is made without warranty, express or implied.

This Assignment shall be effective for all purposes as of 11:00 o'clock P.M. on the first day of 31st day of December, 1996.

EXECUTED this 31st day of DECEMBER, 1996.

NPC ENERGY CORP.

C. J. Lett, III, President

ATTEST:

Dean Pattisson, Secretary

ACKNOWLEDGEMENT

STATE OF KANSAS)
) SS.
COUNTY OF SEDGWICK)

Before me, the undersigned, a Notary Public, within and for said county and state, on this 31ST day of DECEMBER, 1996, personally appeared to me C. J. LETT, III, to me personally known to be the identical person who executed the within and foregoing instrument as President of NPC ENERGY CORP., 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 such company for the uses and purposes therein set forth.

WITNESS my hand and seal the day and year last above written.

Jo Ann Thaden, Notary Public

My Commission Expires:

4-14-2001

JO ANN THADEN
NOTARY PUBLIC
STATE OF KANSAS
MY APPT. EXP. 4-14-2001

262902

RECORDED July 29, 1997 8:20 A
IN BOOK 105 O+G 77
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

EXHIBIT A

Attached to and made a part of that certain Assignment from NPC ENERGY CORP., as Assignor, to BISON ENERGY CORPORATION., as Assignee, made effective at 11:00 o'clock P.M., the 31st day of December, 1996.

FILE NO:	LEASE NAME:	WELLS:	LEASE:	LESSOR:	LESSEE:	DATED:	DESCRIPTION:	COUNTY:	STATE:	BOOK:	PAGE:
701500	WARDELL FEDERAL (ORI)	WARDELL FEDERAL #1-4		UNITED STATES OF AMERICA #W-5627B	HOME PETROLEUM CORP	5/1/67	ALL; 9-28N-108W	SUBLETTE	WY		

FULL RELEASE OF NET PROFITS OVERRIDING ROYALTY INTERESTS

THIS FULL RELEASE OF NET PROFITS OVERRIDING ROYALTY INTERESTS (this "Release") is effective as of 7:00 a.m. at the location of the Properties (defined below) on January 1, 1997 (the "Effective Date") and is from GEAPPL Corp., a Texas non-profit corporation, having offices at 3003 Summer Street, Stamford, Connecticut 06904 ("GEAPPL"), acting at the direction of NationsBank of Texas, N.A., in its capacity as the qualified professional asset manager of GEAPPL, to and for the benefit of UMC Petroleum Corporation, a Delaware corporation, with offices at 410 - 17th Street, Suite 1400, Denver, Colorado 80202 ("UMC").

RECITAL

GEAPPL is the owner of certain net profits overriding royalty interests (the "Net Profits Interests") burdening certain oil and gas and other mineral leases, lands and other interests (the "Properties") pursuant to those certain Conveyances of Net Profits Overriding Royalty Interests described in Annex I hereto (collectively, the "Conveyances").

RELEASE

In consideration of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, GEAPPL hereby RELEASES, EXTINGUISHES AND CONVEYS for the benefit of UMC and its successors and assigns all of GEAPPL's right, title and interest in and to the Net Profits Interests, insofar and only insofar as such interest cover Subject Hydrocarbons (as defined in the Conveyances) produced from the Properties from and after the Effective Date.

The Conveyances described on Annex I hereto include all of the instruments by which GEAPPL acquired the Net Profits Interests in accordance with (i) that certain Acquisition Agreement dated as of July 10, 1991 by and between General Atlantic Resources, Inc., a Delaware corporation, and NCNB Texas National Bank as attorney-in-fact, and (ii) that certain Acquisition Agreement dated as of February 26, 1993 by and between General Atlantic Resources, Inc., a Delaware corporation, and NationsBank of Texas, N.A. as attorney-in-fact. Partial releases of the Net Profits Interests with respect to some of the Properties have previously been granted by GEAPPL for the benefit of third parties. This Release shall not cover those Net Profits Interests which were previously released by GEAPPL.

This Release shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Release is being executed in several counterparts, all of which are identical, except that, to facilitate recordation in certain jurisdictions, there may be attached to certain counterparts hereof those portions of certain of the Exhibits which contain descriptions of properties located in the recording jurisdiction in which the particular counterpart is to be recorded. All of such counterparts together shall constitute one and the same instrument.

262907

RECORDED July 29, 1997 M 9:05A
IN BOOK 105 645 PAGE 79
FEES $ 30.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Booton

[redacted] [redacted] [redacted]

This Release is duly executed and delivered this 26th day of June, 1997, effective as of the Effective Date.

ATTEST:

Michael M. Pastore
Vice President

ASSIGNOR:

GEAPPL CORP.

By: Christopher W. Smith
Christopher W. Smith
President

STATE OF CONNECTICUT)
)
COUNTY OF FAIRFIELD)

The foregoing instrument was acknowledged before me this 26th day of June, 1997 by Christopher W. Smith, President of GEAPPL Corp., a Texas non-profit corporation.

Witness my hand and official seal.

My Commission expires: 12-31-99

MARY-ELIZABETH ARRE
NOTARY PUBLIC
MY COMMISSION EXPIRES DEC. 31, 1999

Mary-Elizabeth Arre
Notary Public
Mary-Elizabeth Arre
3003 Summer Street
Stamford, Connecticut 06904

8

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
ALABAMA	Escambia	8-11-93	Book 47, Page 151
ALASKA	Barrow	8-16-93	Book 69, Page 304
ARIZONA	Apache	6-21-93	Book 718, Page 519
ARKANSAS	Columbia	6-21-93	Book 610, Page 139
	Conway	6-22-93	Book 84, Page 258
	Crawford	11-29-93	Book 93, Page 34309
	Faulkner	6-21-93	Book 538, Page 493
	Lafayette	6-22-93	Volume A-30, Page 157
	Logan (So. Dist.)	6-30-93	Book ND93-6, Page 490
	Miller	6-28-93	Book M-589, Page 263
	Nevada	6-21-93	Book 440, Page 007
	Ouachita	6-22-93	Book 592, Page 341
	Sebastian	6-22-93	Book 0458, Page 0165
	Union	6-21-93	No. 934284
	White	6-22-93	Volume 147, Page 415
CALIFORNIA	Kern	7-30-93	Book 6885, Page 1390
	Solano	9-2-93	No. 1993-00080889
COLORADO	Colorado Commission of Public Lands		
	Adams	6-28-93	Book 4098, Page 936
	Cheyenne	6-21-93	Book 283, Page 870
	Kit Carson	6-21-93	Book 663, Page 289
	Lincoln	6-21-93	Book 391, Page 770
	Moffat	12-1-93	Reception # 350937
	Moffat	2-8-93	Book 664, Page 357
	Montezuma	6-28-93	Book 674, Page 786
	Morgan	6-28-93	Book 956, Page 305
	Rio Blanco	6-21-93	Book 504, Page 370
	Routt	6-28-93	Book 686, Page 1151
	Washington	6-28-93	Book 924, Page 186
KANSAS	Barber	6-21-93	Book 261, Page 487
	Barton	6-25-93	Book 537, Page 57
	Cowley	8-2-93	Book 477, Page 670
	Ellis	7-12-93	Book 399, Page 622

[redacted] **ANNEX I** [redacted] [redacted]

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Hamilton	6-29-93	Book 23A, Page 26
	Harper	6-22-93	Book 85, Page 331
	Kingman	6-21-93	Book 19, Page 51
	Meade	6-21-93	Book 84, Page 444
	Morton	12-2-93	Book 75, Page 483
	Pawnee	6-21-93	Book M97, Page 383
	Pratt	6-21-93	Book 229, Page 442
	Riley	6-28-93	Book 634, Page 203
	Rooks	7-6-93	Book 266, Page 111
	Stafford	8-2-93	Book 120, Page 695
	Wallace	6-24-93	Book 117, Page 155
LOUISIANA	Acadia	6-28-93	Book I51, Page 547
	Assumption	6-28-93	Book 238A, Entry #169862
	Beauregard	6-28-93	Book 581, Page 523
	Bienville	7-2-93	Book 686, Page 222
	Bossier	6-28-93	Volume 1031, No. 557905
	Calcasieu	8-3-93	Book 2371, Page 66
	Catahoula	7-12-93	Book 171, Page 758
	Iberville	6-29-93	Book 461, Entry No. 52
	Jackson	7-9-93	Book 267, Page 501
	Jefferson Davis	6-21-93	Book 769, Page 294
	Lafayette	6-22-93	File No. 93-021688
	LaFourche	11-5-91	Book 1127, Folio 357
	Lincoln	6-28-93	Book 842, Page 243
	Madison	6-29-93	Book 132, Page 7
	Richland	6-28-93	Book 384, File No. 285592
	St. Landry	6-29-93	Book 546, Page 829
	St. Martin	6-21-93	Book 1183, Folio 515
	Terrebonne	6-28-93	Book 1369, Entry No.918945
	Union	6-28-93	Book 903, Page 165
	Vermillion	6-29-93	No. 9305680
MICHIGAN	Arenac	7-12-93	Liber 227, Page 531
	Livingstone	12-14-93	Liber 1774, Page 0001
MISSISSIPPI	Amite	6-29-93	Book 61, Page 43
	Lamar	6-29-93	Book 100, Page 110
	Lawrence	6-28-93	Book 115, Page 94

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Lincoln	6-29-93	Book 172, Page 151
	Simpson	6-28-93	Book 929, Page 477
	Wilkinson	6-29-93	Book 107, Page 25
MONTANA	Bureau of Indian Affairs		
	Montana Department of State Lands		
	Fallon	2-8-93	Book 128, Page 302
	Hill	6-21-93	Book 61, Page 96
	McCone	6-21-93	Book 96, Page 260
	Musselshell	6-28-93	Book 342, Page 475
	Phillips	2-8-93	Book 84, Page 429
	Pondera	6-22-93	Book 87, Page 44
	Powder River	6-28-93	Book 49, Page 1
	Richland	2-9-93	Book E235, Page 211
	Roosevelt	6-22-93	Book 554, Page 269
	Roosevelt	2-8-93	Book 543, Page 246
	Sheridan	6-28-93	Film 571, EX 1393
	Sheridan	2-8-93	Film 570, EX 1750
	Toole	6-21-93	Book 89, Page 988
	Wibaux	2-8-93	Book 74, Page 1
NEBRASKA	Banner	7-2-93	Book 125, Page 453
	Red Willow	6-28-93	Book 86, Page 102
NEW MEXICO	Eddy	6-22-93	Book 159, Page 464
	Lea	6-22-93	Book 571, Page 340
	Rio Arriba	6-28-93	Book 142, Page 553
	Roosevelt	6-22-93	Book 6, Page 132
	San Juan	6-21-93	Book 1164, Page 660
NORTH DAKOTA	North Dakota State Land Commission		
	Bureau of Land Management		
	Billings	6-21-93	Book 165, Page 427
	Billings	2-8-93	Book 163, Page 269
	Bottineau	6-21-93	Book 332, Page 189
	Bottineau	2-8-93	Book 330, Page 117
	Bowman	6-21-93	Document No. 134966
	Bowman	2-8-93	Document No. 134483
	Burke	6-21-93	Book 238, Page 838

[redacted] **ANNEX** [redacted] [redacted]

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Divide	6-21-93	Book 186M, Page 583
	Divide	2-23-93	Book 225, Page 328
	Dunn	6-21-93	Book 254, Page 137
	McKenzie	6-21-93	No. 317103
	McKenzie	2-22-93	No. 316101
	Renville	6-29-93	Book 250, Page 1
	Renville	2-22-93	Book 248, Page 483
	Stark	6-28-93	Book A308, Page 467
	Stark	3-10-93	Book A305, Page 187
	Williams	12-14-93	No. 552750
	Williams	2-23-93	No. 548435
OHIO	Morgan	6-30-93	Volume 86, Page 232
OKLAHOMA	Alfalfa	11-29-93	Book 500, Page 78
	Beaver	8-2-93	Book 904, Page 475
	Blaine	8-2-93	Book 661, Page 70
	Caddo	6-21-93	Book 1806, Page 1
	Canadian	6-22-93	Book 1806, Page 259
	Carter	6-21-93	Book 1775, Page 206
	Cleveland	6-21-93	Book 2456, Page 591
	Coal	6-28-93	Book 533, Page 496
	Creek	11-29-93	Book 315, Page 1517
	Custer	7-19-93	Book 896, Page 331
	Dewey	6-21-93	Book 977, Page 169
	Ellis	6-21-93	Book 562, Page 132
	Garfield	6-21-93	Book 1228, Page 637
	Garvin	6-21-93	Book 1359, Page 361
	Grady	6-21-93	Book 2565, Page 282
	Grant	6-21-93	Book 477, Page 806
	Harper	6-21-93	Book 484, Page 450
	Haskell	6-28-93	Book 511, Page 565
	Hughes	6-21-93	Book 840, Page 409, #002386
	Jefferson	6-21-93	Book 542, Page 104
	Kay	7-7-93	Book 866, Page 702
	Kingfisher	6-21-93	Book 1340, Page 150
	Latimer	6-21-93	Book 430, Page 96
	LeFlore	6-21-93	Book 1092, Page 220
	Lincoln	6-22-93	Book 1227, Page 336

ANNEX I

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STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Logan	6-21-93	Book 1302, Page 137
	Love	6-21-93	Book 455, Page 371
	Major	6-28-93	Book 1319, Page 44
	McClain	6-22-93	Book 1351, Page 597
	McIntosh	6-21-93	Book 427, Page 599
	Noble	6-21-93	Volume 460, Page 1
	Oklahoma	7-8-93	Book 6457, Page 0255
	Osage	6-21-93	Book 0836, Page 0289
	Pawnee	6-21-93	Book 456, Page 834
	Pittsburg	6-22-93	Book 783, Page 60
	Pontotoc	6-21-93	Book 1408, Page 609
	Pottawatomie	6-28-93	Book 2212, Page 183
	Pushmataha	6-21-93	Book 350, Page 997
	Roger Mills	6-21-93	Book 1344, Page 127
	Seminole	6-30-93	Book 1810, Page 67
	Sequoyah	6-28-93	Book 728, Page 167
	Stephens	6-21-93	Book 1887, Page 466
	Texas	6-29-93	Book 876, Page 321
	Woods	6-21-93	Book 755, Page 401
	Woodward	6-22-93	Book 1355, Page 50
TEXAS	Andrews	7-20-93	Volume 654, Page 396
	Bee	6-23-93	Volume 275, Page 413
	Borden	7-21-93	Volume 246, Page 553
	Borden	2-9-93	Volume 243, Page 839
	Brazoria	7-6-93	No. 93-023687
	Caldwell	7-6-93	Volume 94, Page 43
	Coleman	6-29-93	Volume 647, Page 84
	Colorado	7-27-93	Volume 68, Page 67
	Cooke	7-22-93	Volume 861, Page 522
	Crane	6-21-93	Volume 350, Page 638
	Crockett	6-24-93	Volume 493, Page 136
	Dallam	7-19-93	Volume 27, Page 573
	Dawson	6-21-93	Volume 357, Page 293
	Dawson	2-7-93	Volume 354, Page 107
	Dewitt	6-24-93	Volume 303, Page 290
	Duval	6-21-93	Book 150, Page 643
	Fisher	7-19-93	Volume 685, Page 121
	Fort Bend	7-7-93	Volume 2541, Page 2449

[redacted] ANNEX [redacted] [redacted]

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Franklin	7-8-93	Volume 151, Page 575
	Freestone	6-21-93	Volume 906, Page 525
	Frio	6-21-93	Volume 809, Page 83
	Gaines	7-22-93	Volume 381, Page 327
	Glasscock	6-21-93	Volume 301, Page 257
	Goliad	6-21-93	Liber 8, Page 95
	Gonzales	6-25-93	Volume 722, Page 923
	Gregg	6-29-93	Volume 2527, Page 292
	Harrison	7-19-93	Volume 1337, Page 167
	Henderson	7-19-93	Volume 1481, Page 403
	Hidalgo	8-11-93	Document No. 337928
	Hopkins	7-7-93	Volume 157, Page 835
	Howard	6-29-93	Volume 681, Page 706
	Irion	6-25-93	Volume 101, Page 116
	Jackson	7-26-93	Volume 13, Page 683
	Jefferson	7-6-93	No. 93-22143
	Jim Wells	6-22-93	Volume 298, Page 510
	Karnes	6-21-93	Volume 645, Page 44
	Karnes	11-7-91	Volume 624, Page 529
	LaSalle	6-21-93	Volume 360, Page 232
	Leon	6-21-93	Volume 854, Page 1
	Live Oak	6-21-93	Volume 377, Page 109
	Martin	7-20-93	Volume 31, Page 41
	Matagorda	7-19-93	Volume 354, Page 186
	McMullen	7-19-93	Volume 342, Page 237
	Montague	7-19-93	Volume 15, Page 377
	Montgomery	11-1-91	No. 754-01-0850
	Navarro	6-21-93	Volume 1268, Page 170
	Nueces	7-20-93	Document No. 865899
	Orange	6-28-93	Volume 867, Page 353
	Panola	6-21-93	Volume 914, Page 1
	Roberts	6-21-93	Volume 116, Page 232
	Rusk	6-21-93	Volume 1824, Page 468
	Schleicher	6-21-93	Volume 382, Page 290
	Smith	7-1-93	Volume 3379, Page 677
	Starr	6-22-93	Volume 672, Page 732
	Stonewall	7-19-93	Volume 377, Page 88
	Terry	11-4-91	Volume 547, Page 623
	Upton	6-21-93	Volume 606, Page 602

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Victoria	6-28-93	Volume 65, Page 691
	Walker	7-14-93	Volume 197, Page 782
	Ward	6-30-93	Book 609, Page 552
	Wharton	7-19-93	Volume 65, Page 496
	Winkler	6-21-93	Volume 413, Page 226
	Wise	7-1-93	Volume 501, Page 756
	Yoakum	6-21-93	Volume 110, Page 635
	Yoakum	11-4-91	Volume 84, Page 472
	Yoakum	2-8-93	Volume 104, Page 1
UTAH	Duchesne	12-2-93	Book MR260, Page 86
	San Juan	6-21-93	Book 731, Page 50
	Uintah	11-29-93	Book 562, Page 389
WYOMING	Wyoming State Land Commission		
	Bureau of Land Management		
	Big Horn	2-22-93	Book MF20, Page 1989
	Campbell	12-1-93	Book 1270, Page 136
	Campbell	2-8-93	Book 1227, Page 342
	Carbon	7-6-93	Book 897, Page 160
	Carbon	2-22-93	Book 892, Page 815
	Converse	6-21-93	Book 1037, Page 330
	Converse	2-22-93	Book 1031, Page 580
	Crook	8-2-93	Book 321, Page 71
	Crook	2-22-93	Book 317, Page 314
	Fremont	6-22-93	Book 559, Page 207
	Fremont	3-1-93	Book 540, Page 16
	Hot Springs	6-23-93	Book 55, Page 769
	Hot Springs	3-10-93	Book 54, Page 687
	Johnson	7-19-93	Book 256, Page 82
	Lincoln	2-23-93	Book 324PR, Page 679
	Natrona	6-21-93	Instrument No. 526176
	Natrona	2-22-93	Instrument No. 520441
	Park	2-22-93	Book 222, Page 60
	Sublette	6-22-93	Book 92, Page 467
	Sublette	2-22-93	Book 91, Page 641
	Sweetwater	6-21-93	Book 838, Page 824
	Sweetwater	2-22-93	Book 834, Page 1536
	Sweetwater	11-4-91	Book 821, Page 293

[redacted] **ANNEX** [redacted] [redacted]

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GEAPPL Corp. to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Uinta	3-1-93	Book 610, Page 581
	Washakie	6-23-93	Book 64, Page 491
	Washakie	2-22-93	Book 63, Page 633
	Weston	2-22-93	Book 201, Page 471

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997, from GEAPPL Corp., a Texas non-profit corporation, to UMC Petroleum Corporation.

County: Sublette **State:** Wyoming

Field: Big Piney

WELL(S):

WELL NAME:	Long Island #2 Unit
UNIT DESCRIPTION:	Part of Sec 23 and Sec 24, T29N-R112W, 6th P.M.
J/A NO.:	489805
WI/NRI:	2.5000000% ORRI

LEASE(S):

BHP NO.:	WY 3370501
LESSOR:	United States of America W-43911
LESSEE:	Mr. William R. Ingebretsen
DATE:	August 1, 1956
BOOK/PAGE:	Not Recorded
DESCRIPTION:	SE/4, S/2 SW/4 Sec 13; W/2 NW/4, SW/4 Sec 24; N/2 NW/4 Sec 25, T29N-R112W, 6th P.M.

BHP NO.:	WY 2194601
LESSOR:	United States of America W-039908
LESSEE:	Mr. William R. Ingebretsen
DATE:	August 1, 1956
BOOK/PAGE:	Not Recorded
DESCRIPTION:	E/2, E/2 NW/4 Sec 24; S/2, S/2 N/2, N/2 NE/4 Sec 25; All Sec 35; T29N-R112W, 6th P.M.

SUBLETTE, WY

LEASE NUMBER	LESSOR		LESSEE	LEASE DATE	VOL	PAGE	INDEX
WY7124100000	USA W-05900-C/ T032N R114W	SEC: 019	LUELLA JOHNSON SE/4NE/4, NE/4SE/4 BELOW THE BASE OF THE MESAVERDE FORMATION	06/01/51			

90

Lease Number:	64903698/4903698
Cost Center:	7-4965373
Lessor:	State of Wyoming, 73-35783
Lessee:	Terry Shaffer
Lease Date:	September 2, 1973
Recording Data:	None
Interest:	100% WI
Description:	Township 28 North, Range 112 West Section 36: All - all depths

[redacted]

AFTER RECORDING, RETURN TO
JACQUE[illegible]RDINE
DAV[redacted]. STUBBS
3[illegible]. SUITE 4700
POST OFFICE BOX 185
DENVER, COLORADO 80201-0185

[redacted] [redacted] [redacted] Sublette, Wyoming

FULL RELEASE OF
NET PROFITS OVERRIDING ROYALTY INTERESTS

THIS FULL RELEASE OF NET PROFITS OVERRIDING ROYALTY INTERESTS (this "Release") is effective as of 7:00 a.m. at the location of the Properties (defined below) on January 1, 1997 (the "Effective Date") and is from UNUM LIFE INSURANCE COMPANY OF AMERICA, a Maine corporation, and UNUM Employees Lifecycle Plan (f/k/a UNUM Employees Pension Plan and Trust), an employee benefit plan, both having offices at 2211 Congress Street, Portland, Maine 04122-0590 (collectively, "UNUM"), acting at the direction of NationsBank of Texas, N.A., in its capacity as the qualified professional asset manager of UNUM, to and for the benefit of UMC Petroleum Corporation, a Delaware corporation, with offices at 410 - 17th Street, Suite 1400, Denver, Colorado 80202 ("UMC").

RECITAL

UNUM is the owner of certain net profits overriding royalty interests (the "Net Profits Interests") burdening certain oil and gas and other mineral leases, lands and other interests (the "Properties") pursuant to those certain Conveyances of Net Profits Overriding Royalty Interests described in Annex I hereto (collectively, the "Conveyances").

RELEASE

In consideration of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, UNUM hereby RELEASES, EXTINGUISHES AND CONVEYS for the benefit of UMC and its successors and assigns all of UNUM's right, title and interest in and to the Net Profits Interests, insofar and only insofar as such interest cover Subject Hydrocarbons (as defined in the Conveyances) produced from the Properties from and after the Effective Date.

The Conveyances described on Annex I hereto include all of the instruments by which UNUM acquired the Net Profits Interests in accordance with that certain Acquisition Agreement dated as of October 8, 1991 by and between General Atlantic Resources, Inc., a Delaware corporation, and NCNB Texas National Bank as attorney-in-fact and on behalf of UNUM Life Insurance Company, a Maine corporation, for its Separate Account UM-1. Partial releases of the Net Profits Interests with respect to some of the Properties have previously been granted by UNUM for the benefit of third parties. This Release shall not cover those Net Profits Interests which were previously released by UNUM.

This Release shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Release is being executed in several counterparts, all of which are identical, except that, to facilitate recordation in certain jurisdictions, there may be attached to certain counterparts hereof those portions of certain of the Exhibits which contain descriptions of properties located in the recording jurisdiction in which the particular counterpart is to be recorded. All of such counterparts together shall constitute one and the same instrument.

262908

RECORDED July 29 1997 M 9:05am
IN BOOK 105018 PAGE 92
FEES $ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Socken

This Release is duly executed and delivered this 25th day of June, 1997, effective as of the Effective Date.

WITNESS:

John A. Anderson III

ASSIGNOR:

UNUM EMPLOYEES LIFECYCLE PLAN

By:
David R. Murray
Director, Investments

ATTEST:

John A. Anderson III
Assistant Secretary

UNUM LIFE INSURANCE COMPANY OF AMERICA

By:
David R. Murray
Director, Securities

STATE OF MAINE)
)
COUNTY OF CUMBERLAND)

The foregoing instrument was acknowledged before me this 25th day of June, 1997 by David R. Murray, Director, Investments for UNUM Employees Lifecycle Plan, an employee benefit plan.

Witness my hand and official seal.

My Commission expires: 9-4-99

Notary Public
Phyllis L. Haskell
2211 Congress Street
Portland, Maine 04122-0590

STATE OF MAINE)
)
COUNTY OF CUMBERLAND)

The foregoing instrument was acknowledged before me this 25th day of June, 1997 by David R. Murray, Director, Securities for UNUM LIFE INSURANCE COMPANY OF AMERICA, a Maine corporation.

Witness my hand and official seal.

My Commission expires: 9-4-99

Notary Public
Phyllis L. Haskell
2211 Congress Street
Portland, Maine 04122-0590

[redacted] ANNEX [redacted] [redacted]

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from UNUM LIFE INSURANCE COMPANY OF AMERICA, et al, to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
COLORADO	Moffat	2-8-93	Book 664, Page 476
LOUISIANA	LaFourche	11-5-91	Book 1127, Folio 320
MONTANA	Bureau of Indian Affairs		
	Montana Department of State Lands		
	Fallon	2-8-93	Book 128, Page 352
	Phillips	2-8-93	Book 84, Page 476
	Richland	2-9-93	Book E235, Page 268
	Roosevelt	2-8-93	Book 543, Page 295
	Sheridan	2-8-93	Film 570, EX 1811
	Wibaux	2-8-93	Book 74, Page 48
NORTH DAKOTA	North Dakota State Land Commission		
	Bureau of Land Management		
	Billings	2-8-93	Book 163, Page 323
	Bottineau	2-8-93	Book 330, Page 167
	Bowman	2-8-93	Document No. 134484
	Divide	2-23-93	Book 225, Page 395
	McKenzie	2-22-93	No. 316102
	Renville	2-22-93	Book 248, Page 535
	Stark	3-10-93	Book A305, Page 241
	Williams	2-23-93	No. 548436
TEXAS	Borden	2-9-93	Volume 243, Page 895
	Dawson	2-8-93	Volume 354, Page 161
	Karnes	11-7-91	Volume 624, Page 489
	Montgomery	11-1-91	No. 754-01-0809
	Terry	11-4-91	Volume 547, Page 585
	Yoakum	11-4-91	Volume 84, Page 509
		2-8-93	Volume 104, Page 48
WYOMING	Wyoming State Land Commission		
	Bureau of Land Management		
	Big Horn	2-22-93	Book MF20, Page 1940
	Campbell	2-8-93	Book 1227, Page 412
	Carbon	2-22-93	Book 892, Page 863
	Converse	2-22-93	Book 1031, Page 636

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from UNUM LIFE INSURANCE COMPANY OF AMERICA, et al, to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Crook	2-22-93	Book 317, Page 361
	Fremont	3-1-93	Book 540, Page 65
	Hot Springs	3-10-93	Book 54, Page 734
	Lincoln	2-23-93	Book 324PR, Page 631
	Natrona	2-22-93	Instrument No. 520442
	Park	2-22-93	Book 222, Page 108
	Sublette	2-22-93	Book 91, Page 688
	Sweetwater	2-22-93	Book 834, Page 1598
	Sweetwater	11-4-91	Book 821, Page 245
	Uinta	3-1-93	Book 610, Page 503
	Washakie	2-22-93	Book 63, Page 680
	Weston	2-22-93	Book 201, Page 518

[redacted] [redacted] [redacted]

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997, from UNUM LIFE INSURANCE COMPANY OF AMERICA, et al, to UMC Petroleum Corporation.

Lease Number:	64903698/4903698
Cost Center:	7-4965373
Lessor:	State of Wyoming, 73-35783
Lessee:	Terry Shaffer
Lease Date:	September 2, 1973
Recording Data:	None
Interest:	100% WI
Description:	Township 28 North, Range 112 West Section 36: All - all depths

96

AFTER RECORDING, RETURN TO
JACQUELINE JARDINE
DAVIS, GRAHAM & STUBBS
370 17TH STREET, SUITE 4700
POST OFFICE BOX 185
DENVER COLORADO 80201-0185

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT **Donald B. Anderson Ltd., 6400 South Fiddler's Green Circle, Suite 1750, 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 are hereby acknowledged by Assignor, does hereby transfer, bargain, sell, grant, assign and convey, subject to any conditions, exceptions or reservations which may be hereinafter stated unto the following named parties, hereinafter collectively referred to as **Assignee**, an undivided overriding royalty interest set out opposite their names, as follows:

NAME	INTEREST
Joseph C. Anderson 6400 South Fiddler's Green Circle Suite 1750 Englewood, CO 80111	4.0%
Pamela B. Larson 10604 W. Quarles Avenue Littleton, Colorado 80127	1.0%

In and to all the oil, oil-well casinghead gas, gas-well gas, all other hydrocarbons in liquid or gas phase and all gases whether or not combustible, (collectively, "oil and gas") that may be in, under, attributable to or produced, saved and marketed from the following oil and gas lease located in Sublette County, Wyoming:

Lease Number:	00114-U-0100-00
Lessor Name :	WYW-136856-USA/BLM
Lessee Name :	DONALD B. ANDERSON LTD.
Effect. Date:	July 1, 1995
Gross Acres :	2360.00
Legal Desc. :	**TOWNSHIP 30 NORTH, RANGE 114 WEST, 6th P.M.** Section 13: All Section 14: E/2NE/4 Section 24: NE/4, NE/4NW/4 Section 25: W/2NW/4, SE/4NW/4, SW/4, W/2SE/4 Section 26: All Section 35: NE/4, N/2NW/4, SE/4NW/4, NE/4SW/4, N/2SE/4, SE/4SE/4

The overriding royalty interest herein conveyed is payable out of and only out of the oil and gas produced, saved and marketed pursuant to terms and provisions of the oil and gas lease described above. Said overriding royalty interest shall be free and clear of all costs of production except its share of taxes attributable thereto.

262912

RECORDED July 29 1997 10:15A.M.
IN BOOK 105 of O PAGE 97
FEE 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Lacton

The overriding royalty interest herein conveyed shall not, in any event, be paid or accrued upon any oil and gas used for operating, development or production purposes upon the oil and gas lease or unavoidably lost or on gas introduced into the production formation in connection with recycling operations or pressure maintenance operations benefiting said land.

Assignee, by its acceptance hereof, agree and consent that if the aforesaid lease covers less than the entire and undivided mineral estate in the land purported to be covered by the aforesaid lease, then said overriding royalty interest shall be reduced to that ratio which the mineral interest actually covered by said lease bears to the entire and undivided mineral estate in said tract of land; further if Assignor owns less than 100% interest in the oil and gas lease, then the overriding royalty shall be reduced to that ratio which Assignor's actual interest owned bears to 100% working interest in the oil and gas lease; and further if lease covers less than 100% interest in a spacing unit establish by rule or order of the Wyoming Oil and Gas Conservation Commission, then the overriding royalty shall be reduced to that ratio which the number of surface acres covered by the lease and included within the spacing unit bears to the total surface acres within the spacing unit.

This assignment is made without warranty, express or implied. This assignment is binding upon and shall inure to the benefit of respective heirs, successors and assigns of the parties hereto.

EXECUTED THIS 24TH day of JULY, 1997, but effective April 7, 1997.

DONALD B. ANDERSON LTD.

Joseph C. Anderson, Partner

STATE OF COLORADO)
)ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me by Joseph C. Anderson, Partner of Donald B. Anderson Ltd.

This 24TH day of JULY, 1997.

WITNESS my hand and official seal.

My commission expires:

05/21/2001

Donna R. Covert
Notary Public

DONNA R. COVERT NOTARY PUBLIC STATE OF COLORADO My Commission Expires 05/21/2001

STATEMENT OF ASSIGNEE'S QUALIFICATION TO HOLD OVERRIDING ROYALTY INTERESTS

1. 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 o f any State or territory thereof. For the assignment of NPR-A leases, assignee is a citizen, national, or resident alien of the United States or association of such of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of Sec. 41 of the Mineral Leasing Act.

2. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

Dated this 24TH day of JULY, 1997.

Joseph C. Anderson

Pamela B. Larson

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, **High Plains Associates, Inc.**, of 1557 Ogden Street, Suite 300, Denver, Colorado 80218, (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 are hereby acknowledged, does hereby sell, transfer, assign and convey unto the parties listed below (hereinafter referred to as "Assignees") in the percentages set opposite each Assignee's name, one hundred percent (100%) of its right, title and interest in and to the oil and gas leases described on Exhibit "A", attached hereto and made a part hereof, insofar as said leases cover the described lands in Sublette County, Wyoming, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith.

Assignees	Percentage of **Interest Conveyed**
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	50.00%
John P. Lockridge 1265 Lisbon Lane Pebble Beach, California 93953	25.00%
Prima Oil & Gas Company 1801 Broadway, Suite 500 Denver, Colorado 80202	25.00%
TOTAL:	100.00%

This Assignment is made subject to the following:

1. All previously reserved or conveyed overriding royalties, reversionary interests, or other lease burdens effective or existing as of the effective date of this Assignment; and

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the leasehold interest conveyed hereby shall be reduced proportionately.

This Assignment is made without warranty of title of any kind, either expressed or implied, except to those claiming by, through and under Assignor. The terms, covenants and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignees and their respective heirs, successors and assigns, and such terms, covenants and conditions shall be covenants running with the land.

EXECUTED and EFFECTIVE this 20th day of June, 1997.

ATTEST:

HIGH PLAINS ASSOCIATES, INC.

By: _____
Lynne Baalman
Secretary

By: _____
Jonathan S. Roderick
Vice President

262921

RECORDED July 30, 1997 2:00 p
IN BOOK 105 Misc PAGE 100
FEES 20.00
SUBLETTE COUNTY, PINEDALE WYO.
By Cathy Saxton

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 20th day of June, 1997 by Jonathan S. Roderick as Vice President of High Plains Associates, Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation.

Witness my hand and notary seal.

Jennifer Goggin
Notary Public

My commission expires: 4/14/01

NOTARY PUBLIC
JENNIFER GOGGIN
STATE OF COLORADO

My Commission Expires April 14, 2001

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases
dated June 20, 1997 by and between High Plains Associates, Inc., as Assignor, and Stanley Energy W., Inc. etal, as Assignees

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-132764 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 35 North, Range 113 West, 6th P.M. Section 11: NE4, NE4NW4, SW4, N2SE4 Section 14: SW4NE4, E2NW4, NE4SW4, S2SW4, SE4 Section 19: Lot 4 Section 22: All Section 23: All Section 27: N2, NE4SE4 Section 30: Lots 1-4, E2W2, NE4, N2SE4, SW4SE4	3080.12	n/a	n/a
U.S.A. W-132829 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 37 North, Range 113 West, 6th P.M. Section 25: W2SW4 Section 26: NW4SE4, SE4SE4 Section 34: NE4NE4, S2NE4, SE4NW4, NE4SW4, S2SW4, SE4 Section 35: Lot 2, NE4NE4, W2SW4, SE4SW4, SE4 Section 36: W2W2	1117.76	n/a	n/a
U.S.A. W-132828 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 113 West, 6th P.M. Section 22: All Section 27: All Section 34: All	1920.00	n/a	n/a

102

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-132832 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 114 West, 6th P.M. Section 1: Lots 1-4, S2N2, S2 Section 2: Lots 3-4, SE4NE4, SW4NW4, E2SE4, SW4SE4 Section 10: S2NE4, SE4NW4, S2 Section 11: All Section 12: All Section 13: All Section 14: All Section 15: All Section 16: E2NE4, NE4NE4NW4NE4, S2NE4NW4NE4, SE4NW4NE4, E2E2SW4NE4, W2NE4NW4, W2SE4NE4NW4, W2E2SE4NW4, W2SE4NW4, W2W2, W2E2NE4SW4, W2NE4SW4, SE4SE4NE4SW4, SE4SW4, NE4SE4, NE4NE4NW4SE4, S2NE4NW4SE4, E2SW4NW4SE4, SW4SW4NW4SE4, SE4NW4SE4, S2SE4 Section 21: NE4NE4, N2NW4, SW4NW4	5201.50	n/a	n/a
U.S.A. WYW-135155 Bureau of Land Management	High Plains Associates, Inc.	2/1/1995	Township 36 North, Range 113 West, 6th P.M. Section 12: W2W2 Section 13: W2 Section 24: E2 Section 25: All Section 35: All	2080.00	n/a	n/a

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-132830 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 113 West, 6th P.M. Section 4: Lots 1-4, S2N2, S2 Section 5: Lots 1-4, S2N2, S2 Section 6: Lots 1-7, S2NE4, SE4NW4, E2SW4, SE4 Section 7: Lots 1-4, E2W2, E2 Section 8: All Section 9: All Section 16: All Section 17: All Section 18: Lots 1-4, E2W2, E2 Section 19: Lots 1-4, E2W2, E2 Section 20: All Section 21: All Section 30: Lots 1-2, NE4, E2NW4	7819.62	n/a	n/a
U.S.A. W-132831 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 114 West, 6th P.M. Section 22: All Section 23: All Section 24: All Section 25: All Section 26: All Section 27: All Section 28: E2, E2W2, SW4NW4, W2SW4 Section 33: N2 Section 34: N2 Section 35: N2	5400.00	n/a	n/a

104

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. WYW-133112 Bureau of Land Management	High Plains Associates, Inc.	8/1/1994	Township 36 North, Range 113 West, 6th P.M. Section 15: All	640.00	n/a	n/a
Dorthy A. Noble	High Plains Associates, Inc.	9/28/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	568
Robert Charles Noble et ux	High Plains Associates, Inc.	9/28/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	570
Colleen Haviland	High Plains Associates, Inc.	9/28/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	572
Sally Louise Noble Kidd	High Plains Associates, Inc.	10/25/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	574

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
W.L. Bain et al	High Plains Associates, Inc.	11/16/1994	Township 35 North, Range 113 West, 6th P.M. Section 8: SE4SW4 Section 17: NE4, N2NW4, SW4NW4, E2SW4, NW4SE4, S2SE4 Section 20: N2NE4, NE4NW4	640.00	100	559
Siems and Company	High Plains Associates, Inc.	11/19/1994	Township 35 North, Range 113 West, 6th P.M. Section 11: S2SE4 Section 12: SW4SW4 Section 13: N2, N2SE4, NE4SW4 Section 14: E2NE4, NW4NE4	680.00	100	564
Ruth Nelson	High Plains Associates, Inc.	2/7/1995	Township 35 North, Range 113 West, 6th P.M. Section 17: W2SW4 Section 18: N2SE4, SW4SE4 Section 19: Lots 2-3, SE4NW4, NE4SW4, NW4NE4 S2NE4, W2SE4 Section 20: W2NW4	622.62	100	562
James Ranches, Inc.	High Plains Associates, Inc.	3/28/1995	Township 35 North, Range 113 West, 6th P.M. Section 17: W2SW4 Section 18: N2SE4, SW4SE4 Section 19: Lots 2-3, SE4NW4, NE4SW4, NW4NE4 S2NE4, W2SE4 Section 20: W2NW4	622.62	101	302

106

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
Paul A. Fovel et ux	High Plains Associates, Inc.	5/23/1995	Township 35 North, Range 113 West, 6th P.M. Section 17: W2SW4 Section 18: N2SE4, SW4SE4 Section 19: Lots 2-3, SE4NW4, NE4SW4, NW4NE4 S2NE4, W2SE4 Section 20: W2NW4	622.62	102	174
Bert Sargent et ux	High Plains Associates, Inc.	3/28/1995	Township 35 North, Range 113 West, 6th P.M. Section 14: W2NW4, NW4SW4 Section 15: NE4NE4, S2N2, S2	640.00	101	305
Edward L Sargent	High Plains Associates, Inc.	3/28/1995	Township 35 North, Range 113 West, 6th P.M. Section 14: W2NW4, NW4SW4 Section 15: NE4NE4, S2N2, S2	640.00	101	507
State of Wyoming 94-00600	High Plains Associates, Inc.	12/2/1994	Township 36 North, Range 113 West, 6th P.M. Section 36: All	640.00	n/a	n/a

107

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW142263

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: Pi..ia O&G Co
   Street: 1801 Broadway #500
   City, State, Zip Code: Denve. CO 80202

Future rental payments must be made on or before the anniversary date to:
Minerals Management Service
Royalty Management Program
P.O. Box 5640
Denver, CO 80217

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**
T. R. Meridian State County

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 027 0N R. 108 0W 06th Meridian WY State Sublette County
Sec. 017 SE¼;
023 SW¼;
026 SE¼;
035 SE¼;

262958

RECORDED August 4 1997 3:05 PM
105 O+G PAGE 108
14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Zuoker

Total acres in lease 640.000
Rental retained $ 960.00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☑ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis
(Signing Officer)

Chief Leasable Minerals Section
(Title)

JUL 11 1997
(Date)

EFFECTIVE DATE OF LEASE AUG 01 1997

(Continued on reverse)

FOR LESSEE

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 each public domain and acquired lands separately in the same State do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this 16th day of July, 19 97

G. Walter Lunsford
(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) Noncompetitive lease $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for the first 5 years; thereafter $2.00;
(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

[redacted] [redacted] [redacted]

MULTIPLE MINERAL DEVELOPMENT STIPULATION

Operations will not be approved which, in the opinion of the authorized officer, would unreasonably interfere with the orderly development and/or production from a valid existing mineral lease issued prior to this one for the same lands.

STATE OF COLORADO }
} ss. ACKNOWLEDGMENT
COUNTY OF DENVER }

On this 16th day of July, 1997, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared G. Walter Lunsford, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as the Attorney-in-Fact of Prima Oil & Gas Company. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

August 31, 2000

NOTARY PUBLIC

Karen A Armbrust

Karen A. Armbrust
1801 Broadway, #500, Denver, CO 80202

KAREN A. ARMBRUST
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 08/31/2000

WYW142263

LEASE NOTICE NO. 1

Under Regulation 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

6. Material sites.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the 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 threshold 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).

The referenced oil and gas leases on these lands are hereby made subject to the stipulation that the exploration or drilling activities will not interfere materially with the use of the area as a materials site/free use permit. At the time operations on the above lands are commenced, notification will be made to the appropriate agency. The name of the appropriate agency may be obtained from the proper BLM District Office.

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

113

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, **High Plains Associates, Inc.**, of 1557 Ogden Street, Suite 300, Denver, Colorado 80218 (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 are hereby acknowledged, does hereby sell, transfer, assign and convey unto the parties listed below (hereinafter referred to as "Assignees") an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the overriding royalty interest set opposite their names. Said overriding royalty interest shall pertain to all oil, gas casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	8/8ths ORRI Interest Assigned
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	1.60555%
High Plains Associates, Inc. 1557 Ogden Street, Suite 300 Denver, Colorado 80218	0.5000%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	0.47222%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	0.47222%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80203	0.09209%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	0.07792%
Pepco, Inc. 3901 South Cherry Street Englewood, Colorado 80110	0.11333%
Total ORRI Assigned:	3.33333% of 8/8ths

262964

RECORDED Aug. 5, 1997 9:25A M
IN BOOK 105 OR PAGE 113
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their respective heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 18th day of June, 1997.

ATTEST:

By: _____
Lynne Baalman
Secretary

HIGH PLAINS ASSOCIATES, INC.

By: _____
Jonathan S. Roderick
Vice President

[redacted] [redacted] [redacted]

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 18th day of June, 1997 by Jonathan S. Roderick as Vice President of High Plains Associates, Inc.

Witness my hand and notary seal.

Jennifer Goggin
Notary Public

My commission expires: 4/14/01

NOTARY PUBLIC
JENNIFER GOGGIN
STATE OF COLORADO

My Commission Expires April 14, 2001

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest
dated June 18, 1997 by and between High Plains Associates, Inc., as Assignor, and Stanley Energy W., Inc. etal, as Assignees

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
State of Wyoming 94-00600	High Plains Associates, Inc.	12/2/1994	Township 36 North, Range 113 West, 6th P.M. Section 36: All	640.00	n/a	n/a

115

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, **High Plains Associates, Inc.**, of 1557 Ogden Street, Suite 300, Denver, Colorado 80218 (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 are hereby acknowledged, does hereby sell, transfer, assign and convey unto the parties listed below (hereinafter referred to as "Assignees") an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the overriding royalty interest set opposite their names. Said overriding royalty interest shall pertain to all oil, gas casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", attached hereto and by this reference made a part hereof, insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	**ORRI Interest Assigned**
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	3.7500%
High Plains Associates, Inc. 1557 Ogden Street, Suite 300 Denver, Colorado 80218	0.5000%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	1.2500%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	1.2500%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80203	0.24375%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	0.20625%
Pepco, Inc. 3901 South Cherry Street Englewood, Colorado 80110	0.3000%
Total ORRI Assigned:	7.5000%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas lease covers less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

262965

RECORDED Aug 5, 1997 9:35 A.M.
105 OR 6 PAGE 116
FEES 50.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Easton

116

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their respective heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 18th day of June, 1997.

ATTEST:

HIGH PLAINS ASSOCIATES, INC.

By: _____
Brynne Bialman
Secretary

By: _____
Jonathan S. Roderick
Vice President

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 18th day of June, 1997 by Jonathan S. Roderick as Vice President of High Plains Associates, Inc.

Witness my hand and notary seal.

_____
Notary Public

My commission expires: 4/14/01

NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires April 14, 2001

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest
dated June 18, 1997 by and between High Plains Associates, Inc., as Assignor, and Stanley Energy W., Inc. etal, as Assignees

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-132764 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 35 North, Range 113 West, 6th P.M. Section 11: NE4, NE4NW4, SW4, N2SE4 Section 14: SW4NE4, E2NW4, NE4SW4, S2SW4, SE4 Section 19: Lot 4 Section 22: All Section 23: All Section 27: N2, NE4SE4 Section 30: Lots 1-4, E2W2, NE4, N2SE4, SW4SE4	3080.12	n/a	n/a
U.S.A. W-132829 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 37 North, Range 113 West, 6th P.M. Section 25: W2SW4 Section 26: NW4SE4, SE4SE4 Section 34: NE4NE4, S2NE4, SE4NW4, NE4SW4, S2SW4, SE4 Section 35: Lot 2, NE4NE4, W2SW4, SE4SW4, SE4 Section 36: W2W2	1117.76	n/a	n/a
U.S.A. W-132828 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 113 West, 6th P.M. Section 22: All Section 27: All Section 34: All	1920.00	n/a	n/a

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-132832 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 114 West, 6th P.M. Section 1: Lots 1-4, S2N2, S2 Section 2: Lots 3-4, SE4NE4, SW4NW4, E2SE4, SW4SE4 Section 10: S2NE4, SE4NW4, S2 Section 11: All Section 12: All Section 13: All Section 14: All Section 15: All Section 16: E2NE4, NE4NE4NW4NE4, S2NE4NW4NE4, SE4NW4NE4, E2E2SW4NE4, W2NE4NW4, W2SE4NE4NW4, W2E2SE4NW4, W2SE4NW4, W2W2, W2E2NE4SW4, W2NE4SW4, SE4SE4NE4SW4, SE4SW4, NE4SE4, NE4NE4NW4SE4, S2NE4NW4SE4, E2SW4NW4SE4, SW4SW4NW4SE4, SE4NW4SE4, S2SE4 Section 21: NE4NE4, N2NW4, SW4NW4	5201.50	n/a	n/a
U.S.A. WYW-135155 Bureau of Land Management	High Plains Associates, Inc.	2/1/1995	Township 36 North, Range 113 West, 6th P.M. Section 12: W2W2 Section 13: W2 Section 24: E2 Section 25: All Section 35: All	2080.00	n/a	n/a

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. W-132830 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 113 West, 6th P.M. Section 4: Lots 1-4, S2N2, S2 Section 5: Lots 1-4, S2N2, S2 Section 6: Lots 1-7, S2NE4, SE4NW4, E2SW4, SE4 Section 7: Lots 1-4, E2W2, E2 Section 8: All Section 9: All Section 16: All Section 17: All Section 18: Lots 1-4, E2W2, E2 Section 19: Lots 1-4, E2W2, E2 Section 20: All Section 21: All Section 30: Lots 1-2, NE4, E2NW4	7819.62	n/a	n/a
U.S.A. W-132831 Bureau of Land Management	High Plains Associates, Inc.	7/1/1994	Township 36 North, Range 114 West, 6th P.M. Section 22: All Section 23: All Section 24: All Section 25: All Section 26: All Section 27: All Section 28: E2, E2W2, SW4NW4, W2SW4 Section 33: N2 Section 34: N2 Section 35: N2	5400.00	n/a	n/a

120

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
U.S.A. WYW-133112 Bureau of Land Management	High Plains Associates, Inc.	8/1/1994	Township 36 North, Range 113 West, 6th P.M. Section 15: All	640.00	n/a	n/a
Dorthy A. Noble	High Plains Associates, Inc.	9/28/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	568
Robert Charles Noble et ux	High Plains Associates, Inc.	9/28/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	570
Colleen Haviland	High Plains Associates, Inc.	9/28/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	572
Sally Louise Noble Kidd	High Plains Associates, Inc.	10/25/1994	Township 36 North, Range 114 West, 6th P.M. Section 2: Lots 1-2, SW4NE4, SE4NW4 Township 37 North, Range 113 West, 6th P.M. Section 33: SE4SW4, NE4SE4, S2SE4 Section 34: N2NW4, SW4NW4, NW4SW4	460.90	100	574

EXHIBIT "A"

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Recorded Page
W.L. Bain et al	High Plains Associates, Inc.	11/16/1994	Township 35 North, Range 113 West, 6th P.M. Section 8: SE4SW4 Section 17: NE4, N2NW4, SW4NW4, E2SW4, NW4SE4, S2SE4 Section 20: N2NE4, NE4NW4	640.00	100	559
Siems and Company	High Plains Associates, Inc.	11/19/1994	Township 35 North, Range 113 West, 6th P.M. Section 11: S2SE4 Section 12: SW4SW4 Section 13: N2, N2SE4, NE4SW4 Section 14: E2NE4, NW4NE4	680.00	100	564
Ruth Nelson	High Plains Associates, Inc.	2/7/1995	Township 35 North, Range 113 West, 6th P.M. Section 17: W2SW4 Section 18: N2SE4, SW4SE4 Section 19: Lots 2-3, SE4NW4, NE4SW4, NW4NE4 S2NE4, W2SE4 Section 20: W2NW4	622.62	100	562
James Ranches, Inc.	High Plains Associates, Inc.	3/28/1995	Township 35 North, Range 113 West, 6th P.M. Section 17: W2SW4 Section 18: N2SE4, SW4SE4 Section 19: Lots 2-3, SE4NW4, NE4SW4, NW4NE4 S2NE4, W2SE4 Section 20: W2NW4	622.62	101	302

122

EXHIBIT 'A'

Sublette County, Wyoming

Lessor	Lessee	Effective Date	Description	Gross Acres	Recorded Book	Page
Paul A. Fovel et ux	High Plains Associates, Inc.	5/23/1995	Township 35 North, Range 113 West, 6th P.M. Section 17: W2SW4 Section 18: N2SE4, SW4SE4 Section 19: Lots 2-3, SE4NW4, NE4SW4, NW4NE4 S2NE4, W2SE4 Section 20: W2NW4	622.62	102	174
Bert Sargent et ux	High Plains Associates, Inc.	3/28/1995	Township 35 North, Range 113 West, 6th P.M. Section 14: W2NW4, NW4SW4 Section 15: NE4NE4, S2N2, S2	640.00	101	505
Edward L. Sargent	High Plains Associates, Inc.	3/28/1995	Township 35 North, Range 113 West, 6th P.M. Section 14: W2NW4, NW4SW4 Section 15: NE4NE4, S2N2, S2	640.00	101	507

08-08-1997 09:51AM FROM Sheridan Energy Inc. TO 13072369598 P.02

AUG-4 '97 10:04 P.02

ASSIGNMENT OF PRODUCTION

FOR VALUE RECEIVED, **McRAE & HENRY, LTD.**, a Colorado corporation, with offices at 730 Seventeenth Street, Suite 920, Denver, Colorado 80202 ("Assignor") assigns to **VECTRA BANK OF DENVER**, with offices at 999 Eighteenth Street, Suite 111, Denver, Colorado 80202 (the "Bank"), effective as of May 1, 1997, at 7:00 A.M., local time, (the "Effective Time") all of its interest in the hydrocarbons and production revenues produced from and accruing to the following described property (the "Property"):

WELL:	*FEDERAL #1-23*
FIELD:	Bird Canyon
LOCATION:	Township 27 North, Range 112 West Section 23: NE/4SE/4
COUNTY/STATE:	Sublette / Wyoming

For purposes of this Assignment, the terms "production revenues" and "hydrocarbons" shall be defined as follows: (1) "production revenues" shall mean all amounts received from the sale of hydrocarbons in and under, and that may be produced, saved and sold from, and that shall accrue and be attributable to, the Property; and (2) "hydrocarbons" shall mean oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined therefrom.

This Assignment entitles the Bank to receive directly from the operator of the Property delivery of the hydrocarbons or proceeds therefrom, as the case may be. This Assignment also authorizes and directs all parties producing, purchasing, receiving or having any hydrocarbons, or proceeds therefrom, in their possession for which they or others are accountable to the Bank by virtue of the provisions of this Assignment, to deliver to the Bank, as the assignee and transferee of Assignor and entitled in Assignor's place and stead to receive, such hydrocarbons and all proceeds therefrom.

Assignor agrees to deliver to the Bank, in the form received, all cash, checks, drafts, chattel paper and other instruments or writings for the payment of money (properly endorsed, where required, so the Bank may collect such items) that Assignor may receive at any time in full or partial payment of hydrocarbons produced from the Property after the Effective Time hereof. Assignor shall not commingle any such items with any other of its funds or property, but will hold such items separate and apart from its own funds or property upon express trust for the Bank until delivery is made to the Bank.

Assignor agrees to indemnify the Bank against all claims, accidents, liabilities, judgments, costs, attorneys' fees or other charges of whatsoever kind or nature (all hereinafter referred to as "claims") made against or incurred by the Bank as a consequence of the assertion that the Bank received the hydrocarbons herein assigned, or the proceeds thereof, claimed by third persons. The Bank shall have the right to defend against any such claims, employ attorneys therefor, and unless furnished with reasonable indemnity, the Bank shall have the right to pay or compromise and adjust all such claims. Assignor will indemnify and pay to the Bank any and all such amounts as may be paid with respect to the claims or as may be successfully judged against the Bank.

Assignor represents and warrants to the Bank, its successors and assigns as follows:

1. Assignor has good, absolute and marketable title to the interests above-assigned, free and clear from all liens, encumbrances, burdens and adverse claims.

262981

RECORDED August 6, 1997 10:00 A.M.
IN BOOK 105 OF G pp 124
FEE $ 8.00 Mary L. [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Barton

2. All ad valorem, property, production, severance and similar taxes and assessments based or measured upon the ownership of the production of hydrocarbons or the receipt of proceeds therefrom on the interests hereby conveyed for all years prior to the year in which this Assignment is executed, have been properly paid.

3. Assignor is not obligated, by virtue of any prepayment under any contract providing for the sale by Assignor of hydrocarbons produced from the Property that contains a "take or pay" clause or under any similar arrangement, to deliver hydrocarbons at some future time without then or thereafter receiving full payment therefor.

Assignor agrees to execute and deliver to the Bank or third parties all such division or transfer orders or other documents that may be necessary to effectuate this Assignment and the transfer of the above-specified percentage of hydrocarbons and production revenues from the Property.

EXECUTED this 28th of July, 1997, to be effective as set forth herein.

McRAE & HENRY, LTD. CORPORATE SEAL COLORADO

ATTEST:

By: L. H. Wyman, III
Secretary

ASSIGNOR:
McRAE & HENRY, LTD.

By: Mac Jones
Title: President

STATE OF COLORADO)
) ss
COUNTY OF DENVER)

BEFORE ME, the undersigned, a Notary Public in and for the State of Colorado, on this day personally appeared Mac Jones, known to me to be the President of McRae & Henry, Ltd., a Colorado corporation, and acknowledged to me that he executed the foregoing instrument for the purpose therein contained, and in the capacity stated as the act and deed of said McRae & Henry, Ltd.

SUBSCRIBED AND SWORN TO BEFORE ME this 28th day of July, 1997.

KIMBERLEY WYMAN NOTARY PUBLIC STATE OF COLORADO

My Commission Expires:
December 4, 1997

Kimberley Wyman
Notary Public for the
State of Colorado

[redacted] [redacted] [redacted]

IRREVOCABLE ASSIGNMENT

FOR VALUE RECEIVED, the undersigned, Dorothy W. Allen (jointly, the "Assignor") does hereby sell, assign and transfer to the Dorothy W. Allen Family 1996 Revocable Trust, established 10/10/96 (the "Assignee"), all of the Assignor's right, title and interest in and to all interests represented by the following description:

USA Lease W-0125388
T28N-R113W
Sec. 23: NENW, NWNE, Lots 1-3, NENE
Sec. 24: Lots 3, 4

The above referenced interests are administered by:

Enron Oil & Gas Company
P.O. Box 4362
Houston, TX 77210-4362
(713) 853-6161

Further, it is the intent of all the parties concerned that all interest in all leases and properties in Sublette Co., Wyoming be included in this transfer.

Executed this 7/29/97 (date) at Wickenburg (city) AZ. (state)

Dorothy W. Allen
Dorothy W. Allen, Assignor

263077

RECORDED August 13, 1997 2:05 p
BOOK 105 OR PAGE 126
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Luster

ACKNOWLEDGEMENT

State of Arizona

county of Maricopa

On July 22, 1997, before me, Patricia A. Phelps, a notary public in and for the State of Arizona, personally appeared Dorothy W. Allen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument, the persons, or the entity upon behalf of which the persons acted, executied the instrument.

WITNESS my hand and official seal.

Signature Patricia A. Phelps (SEAL)

My Commission expires: My Commission Expires Jan. 10, 2000

PATRICIA A PHELPS NOTARY PUBLIC YAVAPAI CO. AZ

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 97-00350 **Assignment Approval Date -** _____

ASSIGNOR, with name and address at, YATES PETROLEUM CORPORATION
105 South Fourth Street
Artesia, NM 88210

being the owner of 100 **percent** Leasehold
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)

interest in this lease, described in particular if less than the total leasehold as:
Township 28 North, Range 107 West
Section 24: SESE
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at:
ANDOVER PARTNERS
1001 Fannin, Suite 2000
Houston, TX 77002-6907

50 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

263082

RECORDED August 13, 1997 4:10 P.M.
IN BOOK 105 O+G PAGE 128
FEES $10.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Beaton

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, Fifty Percent (50%)

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 5th day of August 19 97.

ASSIGNOR - YATES PETROLEUM CORPORATION	Assignee (1) - ANDOVER PARTNERS
By -	By -
Title - Randy G. Patterson RGP Attorney-in-Fact	Title -
Attest -	Attest -

Assignee (2) -	Assignee (3) -
By -	By -

STATE OF NEW MEXICO)
ss:
COUNTY OF EDDY)

The foregoing instrument was acknowledged before me this 5th day of August, 1997, by Randy G. Patterson, Attorney-in-Fact, for YATES PETROLEUM CORPORATION, a New Mexico corporation on behalf of said corporation.

My Commission Expires:

Notary Public

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal deacription of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

97-00350

SIGNED AS TO TRANSFER AND ACCEPTANCE this 5th day of August 1997.

ASSIGNOR -	Assignee (1) - ANDOVER PARTNERS
By -	By - Tom L. Dodds
Title -	Title - TOM L. DODDS ATTORNEY-IN-FACT
Attest -	Attest -
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, THE UNDERSIGNED AUTHORITY ON THIS DAY PERSONALLY APPEARED TOM L. DODDS, ATTORNEY-IN-FACT, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 5th DAY OF August, 1997.

LOUISE R. WONZER
NOTARY PUBLIC
State of Texas
Comm. Exp. 06-15-2000

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

131

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Stanley Energy W., Inc.**, of 1776 Lincoln Street, Suite 410, Denver, Colorado 80203 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter referred to as "Assignees"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the interest set opposite each Assignee's name. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	**ORRI Conveyed**
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	56.66667% of 0.75%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	16.66666% of 0.75%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	16.66667% of 0.75%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	2.75000% of 0.75%
Pepco, Inc. 3901 South Cherry Street Englewood, Colorado 80110	4.00000% of 0.75%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80120	3.25000% of 0.75%
TOTAL	100.0000% of 0.75%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 1st day of June, 1997.

STANLEY ENERGY W., INC.

SEAL

By: _____
Stephanie Bernard
Assistant Secretary

263089

By: _____
Mark E. Brown
Vice President

RECORDED August 15 1997 8:35A
BOOK 105 Pg 6
FEES 10.00
SUBLETTE COUNTY, PINEDALE WYO.
131
By Cathy Groton

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 1st day of June, 1997, before me personally appeared Mark E. Brown, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Stanley Energy W., Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said Mark E. Brown acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of June, 1997.

Notary Public

My commission expires: 4-19-99

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Stanley Energy W., Inc., as Assignor, to Stanley Energy W., Inc. etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97280 Bureau of Land Management	Josephine Terrell Hudson	Township 28 North, Range 109 West, 6th P.M. Section 21: All Section 28: All Section 29: E2, S2SW4 Section 31: Lots 1-4, E2, E2W2 Containing 2,269.04 acres more or less	1/1/1986	N/A	N/A

END OF EXHIBIT "A"

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Stanley Energy W., Inc.**, of 1776 Lincoln Street, Suite 410, Denver, Colorado 80203 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter referred to as "Assignees"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the interest set opposite each Assignee's name. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	**ORRI Conveyed**
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	56.66667% of 7.5%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	16.66666% of 7.5%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	16.66667% of 7.5%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	2.75000% of 7.5%
Pepco, Inc. 3901 South Cherry Street Englewood, Colorado 80110	4.00000% of 7.5%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80120	3.25000% of 7.5%
TOTAL	100.0000% of 7.5%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 1st day of June, 1997.

STANLEY ENERGY W., INC. CORPORATE SEAL COLORADO

ATTEST:

Stephanie Bernard
Assistant Secretary

STANLEY ENERGY W., INC.

By: _____
Mark E. Brown
Vice President

263090

RECORDED August 15, 1997 8:35A
BOOK 105 OF 6 134
FEE 10.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

134

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 1st day of June, 1997, before me personally appeared Mark E. Brown, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Stanley Energy W., Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said Mark E. Brown acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of June, 1997.

Notary Public

My commission expires: 4-19-97

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Stanley Energy W., Inc., as Assignor, to Stanley Energy W., Inc. etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. WYW-135131 Bureau of Land Management	Cenex, Inc.	Township 28 North, Range 110 West, 6th P.M. Section 1: Lots 1-4, S2 Section 12: SE4 Section 13: E2 Section 24: All Section 25: N2 Containing 2,894.92 acres more or less	2/1/1995	N/A	N/A
U.S.A. WYW-136819 Bureau of Land Management	Plains Petroleum Operating Company	Township 28 North, Range 109 West, 6th P.M. Section 23: All Containing 640.00 acres more or less	7/1/1995	N/A	N/A

130

END OF EXHIBIT "A"

137

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Stanley Energy W., Inc.**, of 1776 Lincoln Street, Suite 410, Denver, Colorado 80203 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter referred to as "Assignees"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the interest set opposite each Assignee's name. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	**ORRI Conveyed**
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	56.66667% of 2.5%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	16.66666% of 2.5%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	16.66667% of 2.5%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	2.75000% of 2.5%
Pepco, Inc. 3901 South Cherry Street Englewood, Colorado 80110	4.00000% of 2.5%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80120	3.25000% of 2.5%
TOTAL	100.0000% of 2.5%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 1st day of June, 1997.

STANLEY ENERGY W., INC.

ATTEST:

SEAL

By: _____
Stephanie Bernard
Assistant Secretary

By: _____
Mark E. Brown
Vice President

263091

RECORDED August 15, 1997 8:35A
105.00
27.00
137
SUBLETTE COUNTY, PINEDALE

By Cathy Burton

[redacted] [redacted] [redacted]

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 1st day of June, 1997, before me personally appeared Mark E. Brown, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Stanley Energy W., Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said Mark E. Brown acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of June, 1997.

NOTARY PUBLIC STATE OF

Notary Public

My commission expires: 4-19-99

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Stanley Energy W., Inc., as Assignor, to Stanley Energy W., Inc. etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97279 Bureau of Land Management	Winston L. Thornton	Township 28 North, Range 109 West, 6th P.M. Section 5: Lots 1-4, S2 Section 6: Lots 1-6, E2SW4, SE4 Section 7: Lots 1-4, E2, E2W2 Section 8: All Section 17: All Section 18: Lots 1-4, E2, E2W2 Section 19: Lots 1-4, NE4, E2W2, N2SE4 Section 20: N2, N2SW4, SE4 Section 22: All Section 26: All Section 27: All Section 30: Lots 1-4, E2W2, S2SE4 Section 32: All Section 33: All Section 34: All Section 35: All Containing 9,097.49 acres more or less	1/1/1986	N/A	N/A

139

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Stanley Energy W., Inc., as Assignor, to Stanley Energy W., Inc. etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97281 Bureau of Land Management	Mary Ellen Lloyd	Township 29 North, Range 109 West, 6th P.M. Section 29: All Section 30: Lots 1-4, E2W2, E2 Section 31: Lots 1-4, E2W2, E2 Section 32: All Section 33: All Containing 3,207.13 acres more or less	1/1/1986	N/A	N/A
U.S.A. WYW-120611 Bureau of Land Management	Sante Fe Energy Resources, Inc.	Township 27 North, Range 109 West, 6th P.M. Section 7: Lots 1-4, E2, E2W2 Containing 587.68 acres more or less	7/1/1990	N/A	N/A
U.S.A. WYW-120623 Bureau of Land Management	Sante Fe Energy Resources, Inc.	Township 27 North, Range 110 West, 6th P.M. Section 1: Lots 1-4, S2N2 Containing 321.00 acres more or less	7/1/1990	N/A	N/A
U.S.A. WYW-120624 Bureau of Land Management	Sante Fe Energy Resources, Inc.	Township 27 North, Range 110 West, 6th P.M. Section 1: NE4SE4 Containing 40.00 acres more or less	7/1/1990	N/A	N/A
U.S.A. WYW-120626 Bureau of Land Management	Ronald R. Dawursk	Township 27 North, Range 110 West, 6th P.M. Section 12: W2NE4, NW4, N2SW4, SE4SW4, SE4 Containing 520.00 acres more or less	7/1/1990	N/A	N/A

Oh 1

141

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Stanley Energy W., Inc., as Assignor, to Stanley Energy W., Inc. etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. WYW-133070 Bureau of Land Management	High Plains Associates, Inc.	Township 27 North, Range 109 West, 6th P.M. Section 3: Lots 2 & 4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 4: Lots 2 & 4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 5: Lots 2 & 4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 6: Lots 2,4 & 6, SE4NW4, SE4SW4, NW4SE4 Section 8: NW4NE4, NW4NW4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 9: NW4NE4, NW4NW4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 10: NW4NE4, NW4NW4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Containing 1,657.94 acres more or less	8/1/1994	N/A	N/A
U.S.A. WYW-133080 Bureau of Land Management	High Plains Associates, Inc.	Township 28 North, Range 110 West, 6th P.M. Section 12: N2, SW4 Section 13: W2 Section 25: S2 Containing 1,120.00 acres more or less	8/1/1994	N/A	N/A

END OF EXHIBIT "A"

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Cabot Oil & Gas Corporation**, of 15375 Memorial Drive, Houston, Texas 77079 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter referred to as "Assignees"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the interest set opposite each Assignee's name. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	ORRI Conveyed
Cabot Oil & Gas Corporation 15375 Memorial Drive Houston, Texas 77079	83.33333% of 7.5%
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	10.11113% of 7.5%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	2.77777% of 7.5%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	2.77777% of 7.5%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	0.45833% of 7.5%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80120	0.54167% of 7.5%
TOTAL	100.0000% of 7.5%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 1st day of June, 1997.

CABOT OIL & GAS CORPORATION

By: H. Wayne Stack
H. Wayne Stack
Attorney-in-Fact

263179

RECORDED August 25, 1997 10:30A
IN BOOK 105 Ots 142
FEE $10.00
SUBLETTE COUNTY, PINEDALE
By Cathy Soaten

142

STATE OF Colorado)
) ss.
COUNTY OF Mesa)

On this 1st day of June, 1997, before me personally appeared H. Wayne Stack, to me personally known, who, being by me duly sworn, did say that he is the Attorney-in-fact of Cabot Oil & Gas Corporation and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said H. Wayne Stack acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of June, 1997.

JEAN A. ARNOLD
NOTARY
STATE OF COLORADO

Notary Public

My commission expires: 12-9-98

My Commission Expires Dec. 9, 1998

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Cabot Oil & Gas Corporation, as Assignor, to Cabot Oil & Gas Corporation etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. WYW-135131 Bureau of Land Management	Cenex, Inc.	Township 28 North, Range 110 West, 6th P.M. Section 1: Lots 1-4, S2 Section 12: SE4 Section 13: E2 Section 24: All Section 25: N2 Containing 2,894.92 acres more or less	2/1/1995	N/A	N/A

144

END OF EXHIBIT "A"

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Cabot Oil & Gas Corporation**, of 15375 Memorial Drive, Houston, Texas 77079 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter referred to as "Assignees"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the interest set opposite each Assignee's name. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	ORRI Conveyed
Cabot Oil & Gas Corporation 15375 Memorial Drive Houston, Texas 77079	83.33333% of 2.5%
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	10.11113% of 2.5%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	2.77777% of 2.5%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	2.77777% of 2.5%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	0.45833% of 2.5%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80120	0.54167% of 2.5%
TOTAL	100.0000% of 2.5%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 1st day of June, 1997.

CABOT OIL & GAS CORPORATION

263180

By: H. Wayne Stack

H. Wayne Stack
Attorney-in-Fact

RECORDED August 25, 1997 10:30AM
IN BOOK 105 O+G PAGE 145
FEES $ 28.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

[redacted] [redacted] [redacted]

STATE OF Colorado)
) ss.
COUNTY OF Arapahoe)

On this 1st day of June, 1997, before me personally appeared H. Wayne Stack, to me personally known, who, being by me duly sworn, did say that he is the Attorney-in-fact of Cabot Oil & Gas Corporation and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said H. Wayne Stack acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of June, 1997.

JEAN A. ARNOLD NOTARY PUBLIC STATE OF COLORADO

Notary Public

My commission expires: 12-9-98

My Commission Expires Dec. 9, 1998

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Cabot Oil & Gas Corporation, as Assignor, to Cabot Oil & Gas Corporation etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97279 Bureau of Land Management	Winston L. Thornton	Township 28 North, Range 109 West, 6th P.M. Section 5: Lots 1-4, S2 Section 6: Lots 1-6, E2SW4, SE4 Section 7: Lots 1-4, E2, E2W2 Section 8: All Section 17: All Section 18: Lots 1-4, E2, E2W2 Section 19: Lots 1-4, NE4, E2W2, N2SE4 Section 20: N2, N2SW4, SE4 Section 22: All Section 26: All Section 27: All Section 30: Lots 1-4, E2W2, S2SE4 Section 32: All Section 33: All Section 34: All Section 35: All Containing 9,097.49 acres more or less	1/1/1986	N/A	N/A

L41

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Cabot Oil & Gas Corporation, as Assignor, to Cabot Oil & Gas Corporation etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97281 Bureau of Land Management	Mary Ellen Lloyd	Township 29 North, Range 109 West, 6th P.M. Section 29: All Section 30: Lots 1-4, E2W2, E2 Section 31: Lots 1-4, E2W2, E2 Section 32: All Section 33: All Containing 3,207.13 acres more or less	1/1/1986	N/A	N/A
U.S.A. WYW-120611 Bureau of Land Management	Sante Fe Energy Resources, Inc.	Township 27 North, Range 109 West, 6th P.M. Section 7: Lots 1-4, E2, E2W2 Containing 587.68 acres more or less	7/1/1990	N/A	N/A
U.S.A. WYW-120623 Bureau of Land Management	Sante Fe Energy Resources, Inc.	Township 27 North, Range 110 West, 6th P.M. Section 1: Lots 1-4, S2N2 Containing 321.00 acres more or less	7/1/1990	N/A	N/A
U.S.A. WYW-120624 Bureau of Land Management	Sante Fe Energy Resources, Inc.	Township 27 North, Range 110 West, 6th P.M. Section 1: NE4SE4 Containing 40.00 acres more or less	7/1/1990	N/A	N/A
U.S.A. WYW-120626 Bureau of Land Management	Ronald R. Dawursk	Township 27 North, Range 110 West, 6th P.M. Section 12: W2NE4, NW4, N2SW4, SE4SW4, SE4 Containing 520.00 acres more or less	7/1/1990	N/A	N/A

148

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Cabot Oil & Gas Corporation, as Assignor, to Cabot Oil & Gas Corporation etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. WYW-133070 Bureau of Land Management	High Plains Associates, Inc.	Township 27 North, Range 109 West, 6th P.M. Section 3: Lots 2 & 4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 4: Lots 2 & 4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 5: Lots 2 & 4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 6: Lots 2,4 & 6, SE4NW4, SE4SW4, NW4SE4 Section 8: NW4NE4, NW4NW4, SE4NW4 NW4SW4, SE4SW4, NW4SE4 Section 9: NW4NE4, NW4NW4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Section 10: NW4NE4, NW4NW4, SE4NW4, NW4SW4, SE4SW4, NW4SE4 Containing 1,657.94 acres more or less	8/1/1994	N/A	N/A
U.S.A. WYW-133080 Bureau of Land Management	High Plains Associates, Inc.	Township 28 North, Range 110 West, 6th P.M. Section 12: N2, SW4 Section 13: W2 Section 25: S2 Containing 1,120.00 acres more or less	8/1/1994	N/A	N/A

149

END OF EXHIBIT "A"

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Cabot Oil & Gas Corporation**, of 15375 Memorial Drive, Houston, Texas 77079 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto the parties listed below (hereinafter referred to as "Assignees"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to the interest set opposite each Assignee's name. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

Assignees	**ORRI Conveyed**
Cabot Oil & Gas Corporation 15375 Memorial Drive Houston, Texas 77079	83.33333% of 0.75%
Stanley Energy W., Inc. 1776 Lincoln Street, Suite 410 Denver, Colorado 80203	10.11113% of 0.75%
Scott R. Clark 9830 Xavier Court Westminster, Colorado 80030	2.77777% of 0.75%
Douglas P. Battin 122 Plum Creek Place Highlands Ranch, Colorado 80126	2.77777% of 0.75%
Robert W. McDermott 7182 South Harrison Way Littleton, Colorado 80122	0.45833% of 0.75%
Mark E. Brown 7753 South Hill Drive Littleton, Colorado 80120	0.54167% of 0.75%
TOTAL	100.0000% of 0.75%

If Assignor's interest in the oil and gas leases is less than the entire interest, or if said oil and gas leases cover less than the entire mineral estate, then the overriding royalty interest conveyed hereby shall be reduced proportionately.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 1st day of June, 1997.

CABOT OIL & GAS CORPORATION

By: H. Wayne Stack per

H. Wayne Stack
Attorney-in-Fact

263181

RECORDED August 25 1997 10:30 M
BOOK 105 O+G PAGE 150
10.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

STATE OF Colorado)
) ss.
COUNTY OF Arapahoe)

On this 1st day of June, 1997, before me personally appeared H. Wayne Stack, to me personally known, who, being by me duly sworn, did say that he is the Attorney-in-fact of Cabot Oil & Gas Corporation and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said H. Wayne Stack acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 1st day of June, 1997.

JEAN A. [illegible]
STATE OF COLORADO

Notary Public

My commission expires: 12-9-98

My Commission Expires Dec. 9, 1998

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Cabot Oil & Gas Corporation, as Assignor, to Cabot Oil & Gas Corporation etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97280 Bureau of Land Management	Josephine Terrell Hudson	Township 28 North, Range 109 West, 6th P.M. Section 21: All Section 28: All Section 29: E2, S2SW4 Section 31: Lots 1-4, E2, E2W2 Containing 2,269.04 acres more or less	1/1/1986	N/A	N/A

END OF EXHIBIT "A"

ASSIGNMENT AND CONVEYANCE OF OVERRIDING ROYALTY INTERESTS AND MINERAL INTERESTS

H.M. Klaenhammer ("Assignor") of 1335 South Wolcott Street, Casper, Wyoming does assign, convey and transfer to H.M. Klaenhammer, Trustee for the H.M. Klaenhammer Revocable Trust, care of the Hilltop National Bank, N.A., P.O. Box 2680, Casper, Wyoming 82602, all of her interests, right and title to the following overriding royalty interests and mineral interests, insofar as said interests cover property situated in the County of Sublette, State of Wyoming, and more fully set forth in Exhibit A, attached hereto and incorporated herein by reference.

This assignment is made without warranty of any sort or kind.

None of the interests above stated are subject to the homestead exemption or other exemption.

Dated this 20th day of March, 1997.

H.M. Klaenhammer, Assignor

H.M. Klaenhammer

STATE OF WYOMING)
)
COUNTY OF NATRONA)

Acknowledged before me this 20th day of March, 1997 by H.M. Klaenhammer, assignor.

WITNESS my hand and notarial seal.

Mary Beth Butterfield
Notary Public

My Commission Expires: 11-24-2000

MARY BETH BUTTERFIELD NOTARY PUBLIC
County of Natrona
State of Wyoming
My Commission Expires Nov. 24, 2000

263257

RECORDED Sept. 2 1997 2:30 p
BOOK 105 OR6 153
FEES 16.00 CO
SUBLETTE COUNTY, PINEDALE WY
By Cathy Saxton

[redacted] [redacted] [redacted]

Acceptance and Acknowledgment of Receipt

H.M. Klaenhammer, Trustee for the H.M. Klaenhammer Revocable Trust, does hereby accept the assignment and conveyance of the above interests on behalf of the H.M. Klaenhammer Revocable Trust.

Dated this 20th day of March, 1997.

H.M. Klaenhammer, Trustee for
H.M. Klaenhammer, Assignee

H M Klaenhammer

STATE OF WYOMING)
)
COUNTY OF NATRONA)

Acknowledged before me this 20th day of March, 1997 by H.M. Klaenhammer, Trustee for theH.M. Klaenhammer, assignee.
WITNESS my hand and notarial seal.

Mary Beth Butterfield
Notary Public

My Commission Expires: 11-24-2000

MARY BETH BUTTERFIELD NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires Nov. 24, 2000

Exhibit A
Sublette County, Wyoming

Federal Lease Number: W-0266346-A

Township 28 North Range 115 West
Sec 9: E2E2
Sec 10: SW

Federal Lease Number: W-0289523

Township 28 North Range 115 West
Sec 2: Lots 5-8, S2
Sec 3: Lots 5-8, S2
Sec 10: N2
Sec 11: N2

Federal Lease Number: W-0315726

Township 28 North Range 115 West
Sec 4: Lots 7-8, SE

Federal Lease Number: W-0323140

Township 28 North Range 115 West
Sec 15: NW

Federal Lease Number: W-12113

Township 37 North Range 114 West
Sec 10: NE, E2NW, S2, SWNW
Sec 15: All

Federal Lease Number: W-12571

Township 37 North Range 114 West
Sec 16: SE
Sec 22: W2NW, SW

Federal Lease Number: W-12572

Township 37 North Range 114 West
Sec 14: SW
Sec 23: W2

[redacted] [redacted] [redacted]

Federal Lease Number: W-12573-A

Township 37 North Range 114 West
Sec 21: E2

Federal Lease Number: W-12574

Township 37 North Range 114 West
Sec 22: E2SE
Sec 27: N2

Federal Lease Number: W-12574-A

Township 37 North Range 114 West
Sec 22: E2NW, W2SE

Federal Lease Number: W-15345-A

Township 37 North Range 114 West
Sec 3: All less 16.5 acres
Sec 11: W2
Sec 14: NW

Federal Lease Number: W-15349

Township 37 North Range 114 West
Sec 34: SWSW

Federal Lease Number: W-16414

Township 33 North Range 114 West
Sec 18: Lots 1-4, SENW, W2SE, E2SW

Federal Lease Number: W-60642

Township 33 North Range 114 West
Sec 19: Lots 3, 4 E2SW, SE

Federal Lease Number: W-16419

Township 32 North Range 115 West
Sec 9: Lots 3, 4, S2
Sec 15: SE, W2
Sec 16: All
Sec 23: All

Federal Lease Number: W-16420

Township 32 North Range 115 West
Sec 21: All
Sec 27: All

Federal Lease Number: W-16420-A

Township 32 North Range 115 West
Sec 22: All
Sec 28: All

Federal Lease Number: W-20138

Township 37 North Range 114 West
Sec 22: NE

Federal Lease Number: W-21431

Township 36 North Range 115 West
Sec 11: All
Sec 12: All
Sec 13: N2, SW, N2SE, SWSE
Sec 14: All

Federal Lease Number: W-2701

Township 28 North Range 115 West
Sec 8: NE, N2SE
Sec 9: W2NE, W2

Federal Lease Number: W-60641

Township 33 North Range 114 West
Sec 19: Lots 1, 2, E2NW, W2NE

[redacted] [redacted] [redacted]

Federal Lease Number: W-72871

Township 37 North Range 114 West
Sec 16: NW, E2SW
Sec 21: E2W2
Sec 28: E2, E2NW, NESW, S2SW
Sec 33: All

Federal Lease Number: W-132840

Township 37 North Range 114 West
Sec 2: W2

ASSIGNMENT AND CONVEYANCE OF OVERRIDING ROYALTY INTERESTS AND MINERAL INTERESTS

Carl W. Klaenhammer ("Assignor") of 1335 South Wolcott Street, Casper, Wyoming does assign, convey and transfer to Carl W. Klaenhammer, Trustee for the Carl W. Klaenhammer Revocable Trust, care of the Hilltop National Bank, N.A., P.O. Box 2680, Casper, Wyoming 82602, all of his interests, right and title to the following overriding royalty interests and mineral interests, insofar as said interests cover property situated in the County of Sublette, State of Wyoming, and more fully set forth in Exhibit A, attached hereto and incorporated herein by reference.

This assignment is made without warranty of any sort or kind.

None of the interests above stated are subject to the homestead exemption or other exemption.

Dated this 20th day of March, 1997.

Carl W. Klaenhammer, Assignor

Carl W. Klaenhammer

STATE OF WYOMING)
)
COUNTY OF NATRONA)

Acknowledged before me this 20th day of March, 1997 by Carl W. Klaenhammer, assignor.

WITNESS my hand and notarial seal.

Mary Beth Butterfield
Notary Public

My Commission Expires: 11-24-2000

MARY BETH BUTTERFIELD NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires Nov. 24, 2000

263258

RECORDED Sept. 2 1997 2:30 p.m.
IN BOOK 105 O+G F. 159
FEES $12.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

[redacted] [redacted] [redacted]

Acceptance and Acknowledgment of Receipt

Carl W. Klaenhammer, Trustee for the Carl W. Klaenhammer Revocable Trust, does hereby accept the assignment and conveyance of the above interests on behalf of the Carl W. Klaenhammer Revocable Trust.

Dated this 20th day of March, 1997.

Carl W. Klaenhammer, Trustee for
Carl W. Klaenhammer, Assignee

Carl W. Klaenhammer

STATE OF WYOMING)
)
COUNTY OF NATRONA)

Acknowledged before me this 20th day of March, 1997 by Carl W. Klaenhammer, Trustee for the Carl W. Klaenhammer, assignee.
WITNESS my hand and notarial seal.

Mary Beth Butterfield
Notary Public

My Commission Expires: 11-24-2000

MARY BETH BUTTERFIELD NOTARY PUBLIC
County of Natrona State of Wyoming
My Commission Expires Nov. 24, 2000

Exhibit A
Sublette County, Wyoming

Federal Lease Number: W-15345-A

Township 37 North Range 114 West
Sec 2: W2, less 16.5 acres
Sec 3: All less 16.5 acres
Sec 11: W2
Sec 14: NW

Federal Lease Number: W-15755

Township 37 North Range 114 West
Sec 23: E2

Federal Lease Number: W-16414

Township 33 North Range 114 West
Sec 18: Lots 1-4, SENW, W2SE, E2SW

Federal Lease Number: W-16419

Township 32 North Range 115 West
Sec 9: Lots 3, 4, S2
Sec 15: SE, W2
Sec 16: All
Sec 23: All

Federal Lease Number: W-16420

Township 32 North Range 115 West
Sec 21: All
Sec 27: All

Federal Lease Number: W-16420-A

Township 32 North Range 115 West
Sec 22: All
Sec 28: All

[redacted] [redacted] [redacted]

Federal Lease Number: W-21430

Township 36 North Range 115 West
Sec 2: All

Federal Lease Number: W-29933

Township 28 North Range 115 West
Sec 4: Lot 5

Federal Lease Number: W-45878

Township 28 North Range 115 West
Sec 4: Lot 6, SW

Federal Lease Number: W-60641

Township 33 North Range 114 West
Sec 19: Lots 1, 2, E2NW, W2NE

Federal Lease Number: W-60642

Township 33 North Range 114 West
Sec 19: Lots 3, 4, E2SW, SE

Federal Lease Number: W-132842

Township 37 North Range 114 West
Sec 25: SW

163

Form 3000-3
(January 1996)

WY 29

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-08589

Lease Effective Date
(Anniversary Date)
10/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 32 North, Range 109 West, 6th P.M. Section 5: Lots 2,3,4, S/2 Section 6: Lots 1,2,3,4,5,6,7,8,9,10, SE/4 Section 7: E/2 Section 8: All Section 17: All Containing 2496.55 acres, more or less (It is the intent of this assignment to convey all Record Title, associated Operating Rights, and ORRI as to the described lands)	50.000%	50.000%	-0-	None	Of Record

263309
8:40a
RECORDED Sept. 5, 1997 M
IN BOOK 105 D+G PAGE 163
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

_____
(Title)

_____
(Date)

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L. Trevino
Rolando L. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

165

STATE OF TEXAS)
) §
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public

TOTAL P.03

[redacted] [redacted] [redacted]

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY 266

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-016162

Lease Effective Date
(Anniversary Date)
7/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 30 North, Range 108 West, 6th P.M. Section 1: Lots 2,3,4, SW/4 NE/4, S/2, S/2 NW/4 Section 2: All Section 3: Lots 1,2,3,4, S/2 N/2, N/2 SE/4, SE/4 SE/4 Section 11: W/2 E/2, NW/4 Section 27: E/2, E/2 W/2 Containing 2352.17 acres, more or less	100.00%	100.00%	-0-	None	Of Record

263310
8:40 A
RECORDED Sept. 5 1997 M
IN BOOK 105 Dtg PAGE 1166
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

(It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 effective _____

By _____
(Authorized Officer)

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____ _____
(Title) (Date)

1166

revised.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/28/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease: EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L. Trevino
Rolando L. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

AV

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
) §
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-In-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

Evangelina Quintana
Notary Public:

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

TOTAL P.03

169

Form 3000-3
(January 1996)

WY 213

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-015316

Lease Effective Date
(Anniversary Date)
6/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 30 North, Range 108 West, 6th P.M.					
Section 3: SW/4	100.00%	100.00%	-0-	None	Of Record
Section 4: Lots 1,2, S/2 NE/4	100.00%	100.00%	-0-	None	Of Record
Township 31 North, Range 108 West, 6th P.M.					
Section 29: NE/4	100.00%	100.00%	-0-	None	Of Record
Section 33: NW/4	100.00%	100.00%	-0-	None	Of Record

263311
RECORDED Sept. 5 1997 8:40 M
IN BOOK 105016 PAGE 169
FEES $ 10.00 JJ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soaton

Containing 630.32 acres, more or less

(It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 effective _____

By _____
(Authorized Officer)

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____
(Title)

_____
(Date)

[redacted] [redacted] [redacted]

needed. BURLINGTON RESOURCES 9156666012 P.02/03

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact Rolando I. Trevino
Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

NV

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
)§
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public

TOTAL P.03

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY 212

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

Lease Serial No.
WYW-015315

Lease Effective Date
(Anniversary Date)
6/1/52

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 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Burlington Resources Oil & Gas Company
   Street P. O. Box 51810
   City, State, ZIP Code Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 32 North, Range 109 West, 6th P.M.					
Section 7: Lots 1,2,5,6,7,8,11,12	50.000%	50.000%	-0-	None	Of Record
Section 18: E/2	50.000%	50.000%	-0-	None	Of Record
Section 19: E/2	50.000%	50.000%	-0-	None	Of Record
Section 20: All	50.000%	50.000%	-0-	None	Of Record
Section 21: W/2	50.000%	50.000%	-0-	None	Of Record
			-0-	None	Of Record
Township 33 North, Range 109 West, 6th P.M.			-0-	None	Of Record
Section 32: SW/4, S/2 NW/4, NE/4 NW/4					
Containing 2200.00 acres, more or less	50.000%	50.000%	-0-	None	Of Record

263312
8:40A
Sept. 5 1997 M
IN BOOK 105 016 PAGE 172
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

(It is the intent of this assignment to convey all Record Title, associated Operating Rights, and ORRI as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

_____
(Title) (Date)

172

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L. Trevino
Rolando L Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

RV

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
) §
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

Evangeline Quintana
Notary Public:

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

TOTAL P.03

174

175

Form 3000-3
(January 1996)

WY 214

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-015317

Lease Effective Date
(Anniversary Date)
6/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein. a	Percent of Interest Owned b	Conveyed c	Retained d	Percent of Overriding Royalty or Similar Interests Reserved e	Previously reserved or conveyed f
Township 33 North, Range 109 West, 6th P.M. Section 34: W/2 E/2, E/2 W/2 Containing 2352.17 acres, more or less	50.000%	50.000%	-0-	None	Of Record

263313
8:40A
RECORDED Sept. 5 1997 M
IN BOOK 105 of 6 PAGE 125
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Zaasten

(It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

[redacted] [redacted] [redacted]

needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L. Trevino
Rolando L. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
)
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-In-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

My commission expires:

Evangeline Quintana
Notary Public

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY 210

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

Lease Serial No.
WYW-06933

Lease Effective Date
(Anniversary Date)
7/1/51

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 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

263314

RECORDED Sept. 5 1997 M 8:40 A
IN BOOK D506 PAGE 178
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 (Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.)	Percent of Interest Owned	Conveyed	Retained	Percent of Overriding Royalty or Similar Interests Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 30 North, Range 108 West, 6th P.M. Section 7: NE/4	100.00%	100.00%	-0-	None	Of Record
Township 31 North, Range 108 West, 6th P.M. Section 17: SW/4 Section 18: E/2 Section 20: W/2	100.00%	100.00%	-0-	None	Of Record
Containing 960.00 acres, more or less			-		
(It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)					

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 effective _____

By _____
(Authorized Officer)

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____
(Title)

_____
(Date)

178

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

PART II: 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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L. Trevino
Rolando L. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

LV

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
)ss
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-In-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public

181

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY 202

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

Lease Serial No.
WYW-06270

Lease Effective Date
(Anniversary Date)
6/1/51

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 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

263315

RECORDED Sept. 5 1997 M
IN BOOK 105016 PAGE 181
FEES $ 10.00
SUBLETTE COUNTY PINEDALE, WYOMING
COUNTY CLERK

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein. a	Percent of Interest Owned b	Conveyed c	Retained d	Percent of Overriding Royalty or Similar Interests Reserved e	Previously reserved or conveyed f
Township 31 North, Range 109 West, 6th P.M. Section 1: Lots 1,2,3,4, S/2 NW/4, NW/4 SW/4 Section 2: Lots 1,2, S/2 NE/4 Section 9: S/2 SE/4 Section 10: W/2 Section 12: Lots 6,7,S/2 SE/4, NE/4 SE/4 Containing 1021.35 acres, more or less (It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)	100.00%	100.00%	-0-	None	Of Record

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 effective _____

By _____
(Authorized Officer)

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____
(Title) (Date)

needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____ (Signature)

or

Attorney-in-fact Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____ (Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

10

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
) §
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangeline Quintana
Notary Public

[redacted] [redacted] [redacted]

Form 3000-3
(January 1996)

WY 201

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-06269

Lease Effective Date
(Anniversary Date)
6/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 31 North, Range 109 West, 6th P.M. Section 35: W/2, S/2 NE/4 Containing 400.00 acres, more or less (It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)	100.00%	100.00%	-0-	None	Of Record

263316
RECORDED Sept. 5, 1997 M 8:40A
IN BOOK 105 Otg PAGE 184
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 effective _____

By _____
(Authorized Officer)

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____
(Title) (Date)

184

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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 applicable Act; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L Trevino
Rolando L Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
) §
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-In-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

Evangeline Quintana
Notary Public

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

TOTAL P.03

187

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY 200

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-015314

Lease Effective Date
(Anniversary Date)
6/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 30 North, Range 108 West, 6th P.M. Section 8: S/2 Section 10: NE/4 Section 17: N/2 Section 22: NE/4 Section 23: NW/4 Containing 1120.00 acres, more or less	100.00%	100.00%	-0-	None	Of Record

263317
RECORDED Sept 5, 1997 8:40 M
IN BOOK 105 016 PAGE 187
FEES $ 10.00 M. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scuton

(It is the intent of this assignment to convey all Record Title and associated Operating Rights as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

_____
(Title)

_____
(Date)

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 6th day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 4th day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact Rolando L. Trevino
Rolando L. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 6th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

LO

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

STATE OF TEXAS)
) §
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared ROLANDO I. TREVINO known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact for EL PASO NATURAL GAS COMPANY, 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 4th day of August, 1997.

My commission expires:

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public

TOTAL P.03

ASSIGNMENT AND BILL OF SALE

STATE OF WYOMING §
§ KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF SUBLETTE §

BURLINGTON RESOURCES OIL & GAS COMPANY, a Delaware corporation, with offices at 5051 Westheimer, Suite 1400, Houston, Texas 77056-2124 ("Assignor"), for and in consideration of ONE HUNDRED DOLLARS ($100.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer, grant and convey unto ULTRA RESOURCES, INC., a Wyoming corporation, with offices at 304 Inverness Way South, Suite 295, Englewood, Colorado 80112 ("Assignee"), all of Assignor's right, title, and interest in and to the following assets:

(i) The oil and gas leases, leasehold interests, overriding royalty interests, rights and interests attributable or allocable to the oil and gas leases or leasehold interests by virtue of pooling, unitization, communitization, and operating agreements, licenses, permits and other agreements, and other properties and interests described on Exhibit "A" (limited as to the interests, lands and depths indicated in the Exhibit) attached hereto (collectively, the

263318

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IN BOOK 105 D+6 PAGE 190
FEES $ 105.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Booton

"Leases"), together with Assignor's right, title and interest in and to the property and rights incident thereto, including, but not limited to, as of the Effective Time, rights in, to, and under leases, permits, rights-of-way, easements, licenses, farmouts, farmins, options, orders, and other contracts or agreements of a similar nature in any way relating thereto;

(ii) The wells, equipment, materials, fixtures and improvements on the Leases as of the Effective Time, appurtenant thereto or used or obtained in connection with the Leases or with the production, treatment, sale or disposal of hydrocarbons or waste produced therefrom or attributable thereto, and other appurtenances thereunto belonging (the "Equipment"); provided, however, Equipment shall not include leased equipment located on the Leases;

(iii) The unitization, pooling and operating agreements, and the units created thereby which relate to the Leases or interests described in Exhibit "A" or which relate to units or wells located on the Leases, including the units formed under orders, regulations, rules, and other official acts of the governmental authority having jurisdiction,

[redacted] [redacted] [redacted]

together with any right, title, and interest created thereby in the Leases; and

(iv) The Records (as defined in the Agreement).

Assignor's interests in these assets is herein collectively referred to as the "Interests".

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns, forever, subject to the terms and provisions hereof.

This Assignment and Bill of Sale is accepted subject to, and Assignee agrees to assume and perform, any and all of the liabilities and obligations or alleged or threatened liabilities and obligations of Assignor that arise under the Interests and all assignments, operating agreements, leases, permits, deeds, rights-of-way, licenses, easements, options, orders, gas purchase contracts, product purchase and sale agreements, gas gathering agreements, gas processing agreements, or any other agreements or contracts attributable to, affecting, or otherwise relating to the Interests, including, but not limited to, any and all liabilities and obligations (i) to pay and deliver royalties, overriding royalties, non-participating royalties, and other burdens on production, (ii) in connection with or arising out of balancing of

overproduction or underproduction from the Interests, (iii) necessary to comply with all laws and governmental regulations with respect to the Interests, including, but not limited to, the lawful plugging and abandonment of oil and gas wells presently existing or in the future drilled on lands covered by the Interests and the restoration of the surface of the land, or any governmental request or other requirement to abandon any pipeline or facility presently existing or in the future installed on the lands covered by the Interests or take any clean-up, remedial or other action with respect to the Interests, regardless of when the events occurred that caused such condition to exist or the obligation to arise, and (iv) that arise under the agreements set forth on Exhibit "B". Without limitation of the foregoing, Assignee agrees to assume and perform any and all of the obligations and liabilities or alleged or threatened liabilities and obligations of Assignor for any violation of Environmental Laws (as defined in the Agreement) with respect to the Interests, regardless of when the events occurred that caused such condition to exist or the obligation to arise.

THIS ASSIGNMENT AND BILL OF SALE IS EXECUTED, DELIVERED, AND ACCEPTED WITHOUT ANY REPRESENTATION, WARRANTY OR COVENANT OF TITLE OF ANY KIND OR NATURE, EITHER EXPRESS, IMPLIED OR STATUTORY; PROVIDED, HOWEVER, ASSIGNOR SHALL SPECIALLY WARRANT AND AGREE TO DEFEND THE TITLE TO THE INTERESTS

AGAINST THE LAWFUL CLAIMS AND DEMANDS OF ALL PERSONS OR ENTITIES CLAIMING THE SAME OR ANY PART THEREOF BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE. THE INTERESTS ARE BEING CONVEYED AND ASSIGNED TO AND ACCEPTED BY ASSIGNEE IN THEIR "AS IS, WHERE IS" CONDITION AND STATE OF REPAIR, AND WITH ALL FAULTS AND DEFECTS, WITHOUT ANY REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR NATURE, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MARKETABILITY, QUALITY, CONDITION, CONFORMITY TO SAMPLES, MERCHANTABILITY, AND/OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY ASSIGNOR AND WAIVED BY ASSIGNEE. THE INTERESTS HAVE BEEN USED FOR OIL AND GAS DRILLING, PRODUCTION, PIPELINE, TRANSPORTATION, STORAGE AND RELATED OPERATIONS. PHYSICAL CHANGES IN THE INTERESTS AND IN THE LANDS BURDENED THEREBY MAY HAVE OCCURRED AS A RESULT OF SUCH USES. THE INTERESTS MAY ALSO INCLUDE BURIED PIPELINES AND OTHER EQUIPMENT, THE LOCATIONS OF WHICH MAY NOT BE KNOWN BY ASSIGNOR OR READILY APPARENT BY A PHYSICAL INSPECTION OF THE INTERESTS. IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED (OR SHALL BE DEEMED TO HAVE WAIVED ITS RIGHT TO INSPECT) THE LEASES, THE EQUIPMENT AND THE ASSOCIATED PREMISES AND SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND THAT ASSIGNEE SHALL ACCEPT ALL OF THE SAME IN THEIR "AS IS, WHERE IS" CONDITION AND STATE OF REPAIR, AND WITH ALL FAULTS AND DEFECTS, INCLUDING, BUT NOT LIMITED TO, THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL

(NORM) AND MAN-MADE MATERIAL FIBERS (MMMF). IN ADDITION, ASSIGNOR MAKES NO REPRESENTATION, COVENANT OR WARRANTY, EXPRESS, IMPLIED OR STATUTORY, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA OR RECORDS DELIVERED TO ASSIGNEE WITH RESPECT TO THE INTERESTS, OR CONCERNING THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE INTERESTS, OR THE ABILITY OF THE INTERESTS TO PRODUCE HYDROCARBONS, OR THE PRICES WHICH ASSIGNEE IS OR WILL BE ENTITLED TO RECEIVE FOR ANY SUCH HYDROCARBONS.

TO THE EXTENT APPLICABLE TO THIS TRANSACTION, ASSIGNEE HEREBY WAIVES ITS RIGHTS UNDER THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, CHAPTER 17, SUBCHAPTER E, SECTIONS 17.41 THROUGH 17.63, INCLUSIVE (OTHER THAN SECTION 17.555, WHICH IS NOT WAIVED), OF THE TEXAS BUSINESS & COMMERCIAL CODE (A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS). AFTER CONSULTATION WITH AN ATTORNEY OF ITS CHOICE, ASSIGNEE VOLUNTARILY CONSENTS TO THIS WAIVER.

This Assignment and Bill of Sale shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

Separate assignments of the Interests may be executed on officially approved forms in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the

terms set forth herein as fully as though they were set forth in such separate assignments. The Interests conveyed by such separate assignments are the same, and not in addition to the Interests conveyed herein.

This Assignment and Bill of Sale is subject to all of the terms and conditions of that certain Purchase and Sale Agreement by and between Assignor and Assignee dated June 27, 1997 (the "Agreement").

IN WITNESS WHEREOF, this instrument is executed the 7th day of August, 1997, but shall be effective as of the 1st day of April, 1997 (the "Effective Time").

ASSIGNOR

BURLINGTON RESOURCES OIL & GAS COMPANY

By: _____
Hunter L. Malson
Vice President

ASSIGNEE

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus
President

S:publaw\ultra\exc-1

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Hunter L. Malson, Vice President of Burlington Resources Oil & Gas Company, a Delaware corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 7th day of August, 1997.

PHALA J. KASSEROLER
Notary Public, State of Texas
My Commission Expires
FEB. 21, 2001

Phala J. Kasseroler
Notary Public in and for the
STATE of TEXAS

STATE OF COLORADO §
§
COUNTY OF ARAPAHOE §

BEFORE ME, the undersigned authority, on this day personally appeared R.G. "Jerry" Albertus, President of Ultra Resources, Inc., a Wyoming corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said limited partnership.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 12 day of August, 1997.

Notary Public in and for the
STATE of COLORADO

s:/ultra/exc-1

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	01633500	01633500	12/1/65	USA W-0320797	MARGARET ALLEN			T27N, R110W, 6TH PM SEC 23: SW4, SE4 SEC 26: SW4, N2SE4, SW4SE4, NW4, NE4
SUBLETTE	WY	20827800	WY 200 000	6/1/52	USA W-015314	EDWIN L GUENZEL			T30N, R108W, 6TH PM SEC 8: S2 SEC 9: S2 SEC 10: NE4, S2 SEC 14: SW4 SEC 15: ALL SEC 17: N2 SEC 22: NE4 SEC 23: NW4
SUBLETTE	WY	20827900	WY 201 000	6/1/52	USA W-06269	DONALD B ANDERSON			T31N, R109W, 6THPM SEC 13: ALL SEC 14: E2 SEC 24: E2SW4, N2, SE4 SEC 25: ALL SEC 35: W2, S2NE4
SUBLETTE	WY	20828000	WY 202 000	6/1/51	USA W-06270	ANDERSON, DONALD B			T31N, R109W, 6TH PM SEC 1: LOTS 1,2,3,4, S2NW4, NW4SW4 SEC 2: ALL SEC 3: ALL SEC 9: S2SE4 SEC 10: NE4, NW4SE4, W2 SEC 11: N2NW4 SEC 12: LOTS 6,7,8, 10, S2SE4, NE4SE4, SE4SW4

198

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	20828100	WY 206 000	6/1/51	USA W-06283	SCHROEDER, FLOYD H			T30N, R108W, 6TH PM SEC 6: LOTS 3,4,5,6,7, E2SW4, SE4NW4 SEC 7: LOTS 1,2, E2NW4 T31N, R108W, 6TH PM SEC 19: LOTS 1-4, E2NW4, E2SW4 SEC 30: LOTS 1-4, E2W2 SEC 31: LOTS 1-4, E2W2
SUBLETTE	WY	20828200	WY 209 000	6/1/51	USA W-06286	ANDERSON, DONALD B			T32N, R109W, 6TH PM SEC 27: S2, NW4 SEC 28: SE4, NE4 SEC 33: E2 SEC 34: ALL SEC 35: ALL
SUBLETTE	WY	20828300	WY 210 000	7/1/51	USA W-06933	S J JELSO	11	231	T30N, R108W, 6TH PM SEC 5: ALL SEC 7: NE4 SEC 8: N2 T31N, R108W, 6TH PM SEC 17: SW4 SEC 18: E2 SEC 20: W2 SEC 30: E2 SEC 32: W2

199

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	20828400	WY 211 000	7/1/51	USA W-06934 SEGREGATED	R A TROMBLEY	11	238	T30N, R108W, 6TH PM SEC 6: LOTS 1,2, S2NE4, SE4 SEC 7: LOTS 3, 4, E2SW4, SE4 T31N, R108W, 6THPM SEC 19: E/2 SEC 29: W2 SEC 31: E2 T30N, R109W, 6TH PM SEC 11: SE4 SEC 12: S2
SUBLETTE	WY	20828500	WY 212 000	6/1/52	USA W-015315	GUENZEL, MARY A			T32N, R109W, 6TH PM SEC 7: LOTS 1,2,5,6,7,8,11,12 SEC 18: E2 SEC 19: E2 SEC 20: ALL SEC 21: W2 T33N, R109W, 6PM SEC 32: SW4, S2NW4, NE4NW4
SUBLETTE	WY	20828600	WY 213 000	6/1/52	USA W-015316	MANNING, FRED M JR			T30N, R108W, 6TH PM SEC 3: SW4 SEC 4: ALL SEC 9: N2 SEC 10: NW4 T31N, R108W, 6TH PM SEC 29: E2 SEC 32: E2 SEC 33: W2

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	20828700	WY 214 000	6/1/52	USA W-015317	MANNING, R L			T32N, R109W, 6TH PM SEC 4: LOTS 8,9,10,15,16 SEC 9: ALL SEC 15: W2 SEC 21: NE4 SEC 22: N2 T33N, R109W, 6TH PM SEC 34: W2E2, E2W2
SUBLETTE	WY	20828800	WY 259 000	7/1/52	USA W-016155 SEGREGATED	ROBERT O ANDERSON			T30N, R107W, 6TH PM SEC 7: W2SE4 SEC 18: ALL SEC 19: ALL SEC 20: E2SE4, W2E2, W2 SEC 30: LOTS 1-4, E2W2, W2NE4
SUBLETTE	WY	20828900	WY 262 000	7/1/52	USA W-016158	PHIL D HELMIG			T30N, R107W, 6TH PM SEC 7: LOTS 1-4, E2W2 T30N, R108W, 6TH PM SEC 25: ALL SEC 26: ALL SEC 34: NE4, N2SE4, N2NW4 SEC 35: N2S2, N2, S2SE4
SUBLETTE	WY	20829000	WY 265 000	7/1/52	USA W-016161	PHIL D HELMIG			T30N, R108W, 6TH PM SEC 11: E2E2 SEC 12: ALL SEC 13: ALL SEC 14: NE4, N2SE4, SE4SE4, NE4NW4, S2NW4 SEC 24: ALL

201

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	20829100	WY 266 000	7/1/52	USA W-016162	PHIL D HELMIG			T30N, R108W, 6TH PM SEC 1: LOTS 2-4, SW4NE4, S2, S2NW4 SEC 2: ALL SEC 3: LOTS 1-4, S2N2, N2SE4, SE4SE4 SEC 11: W2E2, W2 SEC 27: E2, E2W2
SUBLETTE	WY	20829200	WY 271 000	7/1/52	USA W-016167 SEGREGATED	H E HARRINGTON			T32N, R109W, 6TH PM SEC 3: LOT 4, SW4NW4, W2SW4, SE4SW4 T33N, R109W, 6TH PM SEC 19: LOTS 1-4, E2W2 SEC 27: SW4, SW4NW4, SW4SE4 SEC 30: ALL SEC 31: ALL SEC 34: E2E2 SEC 35: SW4, SW4NW4
SUBLETTE	WY	20839300	WY 273 000	10/1/52	USA W-018039	MORRIS KLINE			T30N, R108W, 6TH PM SEC 3: SW4SE4 SEC 14: SW4SE4, NW4NW4 SEC 17: SE4SE4 SEC 18: NE4NE4 SEC 22: NE4SW4 SEC 23: SW4NE4 T31N, R108W, 6TH PM SEC 33: NW4NE4, SW4SE4

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	20829400	WY 284 000	4/1/50	USA W-026025	GRISELDA M BENNETT			T31N, R109W, 6TH PM SEC 14: S2NW4, SW4 SEC 15: LOT 7, 8, E2SW4, SE4 SEC 22: E2, NW4 SEC 23: ALL SEC 24: W2SW4 SEC 26: ALL SEC 27: E2NE4 SEC 35: N2NE4
SUBLETTE	WY	20829500	WY 285 000	4/1/50	USA W-026026	ELIZABETH RAWSON			T31N, R109W, 6TH PM SEC 11: LOT 1 SEC 12: LOT 5 & 9 (MORE FULLY DESCRIBED IN LEASE) SEC 15: LOTS 7 & 8 IN RIVER BED.
SUBLETTE	WY	20829600	WY 296 000	10/1/51	USA W-08589	JEAN HARMON			T32N, R109W, 6THPM SEC 5: LOTS 2-4, S2 SEC 6: LOT 1-10, SE4 SEC 7: E2 SEC 8: ALL SEC 17: ALL
SUBLETTE	WY	20829700	WY 299 000	11/1/51	USA W-08592	GWEN KEIF			T33N, R109W, 6TH PM SEC 21: S2S2 SEC 28: ALL SEC 29: ALL SEC 32: E2 SEC 33: ALL SEC 34: W2W2

203

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	20829800	WY 300 000	10/1/51	USA W-08593	GWEN KEIF			T33N, R109W, 6TH PM SEC 17: S2NE4, W2, SE4 SEC 18: LOTS 1-4, E2W2, E2 SEC 19: E2 SEC 20: ALL SEC 21: W2NE4, NW4, N2S2
SUBLETTE	WY	19505100	WY36430 210	12/1/88	USA WYW-114051	SHAMA KAFAR LIMITED PARTNERSHIP			T33N, R110W, 6TH PM SEC 23: ALL
SUBLETTE	WY	19505200	WY36431 210	10/1/88	USA WYW-113418	SHAMA KAFAR LTD PARTNERSHIP			T33N, R110W, 6TH PM SEC 22: E2E2, NW4NE4 SEC 26: ALL SEC 27: E2E2 SEC 34: E2NE4, NE4SE4 SEC 35: ALL
SUBLETTE	WY	19505300	WY36432 210	10/1/88	USA WYW-113417	SHAMA KAFAR LTD PARTNERSHIP			T32N, R110W, 6TH PM SEC 2: LOTS 1, 2, 3, 4, S2S2 SEC 3: LOTS 1, 2, 3, 4, S2S2 SEC 4: LOTS 1, 2, S2SE4 SEC 11: E2NE4
SUBLETTE	WY	19817700	WY36470 210	10/01/94	USA WYW-133768	LCM LTD LLC	100	159	T30N, R109W, 6TH PM SEC 13: S2NW4, S2 SEC 14: ALL

EXHIBIT "A"

ATTACHED AND MADE A PART OF ASSIGNMENT AND BILL OF SALE DATED THE 7th DAY OF AUGUST, 1997, FROM BURLINGTON RESOURCES OIL & GAS COMPANY, AS ASSIGNOR, TO ULTRA RESOURCES, INC., AS ASSIGNEE

COUNTY	STATE	LEASE ID	LEASE FILE NUMBER	LEASE EFF DATE	LESSOR NAME	LESSEE NAME	RCD BOOK	RCD PAGE	LEGAL DESCRIPTION
SUBLETTE	WY	19922700	WY36519 210	02/1/95	USA WYW-135124	MOI	100	552	T32N, R109W, 6TH PM SEC 21: SE4 SEC 22: S2 SEC 23: ALL SEC 24: W2NW4, SE4NW4, S2 Note: Portions of the above described acreage may contain only record title rights, or only operating rights, or both.
ROW									
SUBLETTE	WY	16022000	WY35089 210	11/21/86	USA W-89522 R/W GRANT	MERIDIAN OIL INC			T30N, R108W, 6TH PM SEC 15: SW4NE4
SUBLETTE	WY	16083900	WY35181 211	05/7/92	WYOMING, ST OF 0382	MERIDIAN OIL INC			T30N, R107W, 6TH PM SEC 16: NW4NW4 ACCESS ROAD FOR NEW FORK UNIT #1

205

[redacted] [redacted] [redacted]

Exhibit "B"

to

the Assignment and Bill of Sale, dated August 7, 1997, from Burlington Resources Oil & Gas Company, as Assignor, to Ultra Resources, Inc., as Assignee.

Gas Marketing and Sale Agreement dated December 1, 1996, by and between McMurry Oil Company, as Buyer, and Burlington Resources Oil & Gas Company and Burlington Resources Trading Inc., as Seller.

Gas Gathering Agreement dated February 28, 1997, by and between Jonah Gas Gathering Company, as Operator, and Burlington Resources Oil & Gas Company and Burlington Resources Trading Inc.

Agreement for Assignment of Novi Leases and for a Net Profits Interest Pinedale Unit Area Sublette County, Wyoming, dated March 31, 1954, by and between Malco Refineries Inc., El Paso Natural Gas Company, Continental Oil Company, Parties of the Fist Part, and Novi Oil Company, Party of the Second Part.

Supplemental Accounting Agreement Net Profits Interest Pinedale Unit Area, Sublette County, Wyoming, dated May 7, 1954, between El Paso Natural Gas Company, Continental Oil Company, and Malco Refineries, Inc.

Farmout Agreement dated July 16, 1996, between Meridian Oil Company, Inc., and McMurry Oil Company.

Purchase and Sale Agreement dated February 28, 1997, between Burlington Resources Oil & Gas Company (Seller), and Jonah Gas Gathering Company (Buyer), and McMurry Oil Company (McMurry).

Agent Operator Agreement dated March 3, 1997, between Burlington Resources Oil & Gas Company and McMurry Oil Company.

207

ASSIGNMENT OF CONTRACTS AND AGREEMENTS

BURLINGTON RESOURCES OIL & GAS COMPANY, a Delaware corporation, with offices at 5051 Westheimer, Suite 1400, Houston, Texas 77056-2124 ("Assignor"), for and in consideration of ONE HUNDRED DOLLARS ($100.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer and convey unto ULTRA RESOURCES, INC., a Wyoming corporation, with offices at 304 Inverness Way South, Suite 295, Englewood, Colorado 80112 ("Assignee"), the rights and interests of Assignor in and to the contracts and agreements described on Exhibit "A" attached hereto (the "Agreements") as such relate to the Interests (as defined in the Purchase Agreement), to the extent the same are assignable.

This Assignment is accepted subject to, and Assignee agrees to assume and perform, as of the Effective Time, any and all of the liabilities and obligations or alleged or threatened liabilities and obligations of Assignor that arise under the Agreements.

This Assignment is subject to all of the terms and conditions of that certain Purchase and Sale Agreement

263319

RECORDED Sept. 5 1997 M 8:40a
IN BOOK 10506 PAGE 207
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

between Assignor and Assignee dated June 27, 1997 (the "Purchase Agreement").

IN WITNESS WHEREOF, this instrument is executed the 7th day of August, 1997, but effective as of April 1, 1997 (the "Effective Time").

ASSIGNOR

BURLINGTON RESOURCES OIL & GAS COMPANY

By: _____
Hunter L. Malson
Vice President

ASSIGNEE

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus
President

326

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Hunter L. Malson, Vice President of Burlington Resources Oil & Gas Company, a Delaware corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 7th day of August, 1997.

PHALA J. KASSEROLER
Notary Public, State of Texas
My Commission Expires
FEB. 21, 2001

Phala J. Kasseroler
Notary Public in and for the
STATE of TEXAS

STATE OF COLORADO §
§
COUNTY OF ARAPAHOE §

BEFORE ME; the undersigned authority, on this day personally appeared R. G. "Jerry" Albertus, President of Ultra Resources, Inc., a Wyoming corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 13 day of August, 1997.

Notary Public in and for the
STATE of COLORADO

[redacted] [redacted] [redacted]

Exhibit "A"

to

the Assignment of Contracts and Agreements, dated August 7, 1997, from Burlington Resources Oil & Gas Company, as Assignor, to Ultra Resources, Inc., as Assignee.

Agreement for Assignment of Novi Leases and for a Net Profits Interest Pinedale Unit Area Sublette County, Wyoming, dated March 31, 1954, by and between Malco Refineries Inc., El Paso Natural Gas Company, Continental Oil Company, Parties of the Fist Part, and Novi Oil Company, Party of the Second Part.

Supplemental Accounting Agreement Net Profits Interest Pinedale Unit Area, Sublette County, Wyoming, dated May 7, 1954, between El Paso Natural Gas Company, Continental Oil Company, and Malco Refineries, Inc.

Farmout Agreement dated July 16, 1996, between Meridian Oil Company, Inc., and McMurry Oil Company.

Purchase and Sale Agreement dated February 28, 1997, between Burlington Resources Oil & Gas Company (Seller), and Jonah Gas Gathering Company (Buyer), and McMurry Oil Company (McMurry).

Agent Operator Agreement dated March 3, 1997, between Burlington Resources Oil & Gas Company and McMurry Oil Company.

211

ASSIGNMENT OF
GATHERING AND MARKETING AGREEMENTS

BURLINGTON RESOURCES OIL & GAS COMPANY, a Delaware corporation, with offices at 5051 Westheimer, Suite 1400, Houston, Texas 77056-2124 and BURLINGTON RESOURCES TRADING INC., a Delaware corporation, with offices at 5051 Westheimer, Suite 1400, Houston, Texas 77056-2124 (collectively "Assignor"), for and in consideration of ONE HUNDRED DOLLARS ($100.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer and convey unto ULTRA RESOURCES, INC., a Wyoming corporation, with offices at 304 Inverness Way South, Suite 295, Englewood, Colorado 80112 ("Assignee"), the rights and interests of Assignor in and to the gathering, processing, marketing and other agreements described on Exhibit "A" attached hereto (the "Agreements") as such relate to the Interests (as defined in the Purchase Agreement), to the extent the same are assignable.

This Assignment is accepted subject to, and Assignee agrees to assume and perform, as of the Effective Time, any and all of the liabilities and obligations or alleged or threatened

263320

RECORDED Sept. 5 1997 8:40 A M
IN BOOK 105046 PAGE 211
FEES $14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Boctor

liabilities and obligations of Assignor that arise under the Agreements.

This Assignment is subject to all of the terms and conditions of that certain Purchase and Sale Agreement between Assignor and Assignee dated June 27, 1997 (the "Purchase Agreement").

IN WITNESS WHEREOF, this instrument is executed the 7th day of August, 1997, but effective as of April 1, 1997 (the "Effective Time").

ASSIGNOR

BURLINGTON RESOURCES OIL & GAS COMPANY

By: _____
Hunter L. Malson
Vice President

BURLINGTON RESOURCES TRADING INC.

By: _____
Hunter L. Malson
Vice President

ASSIGNEE

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus
President

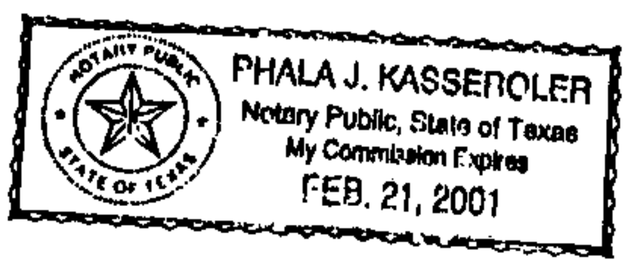
212

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Hunter L. Malson, Vice President of Burlington Resources Oil & Gas Company, a Delaware corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 7th day of August, 1997.

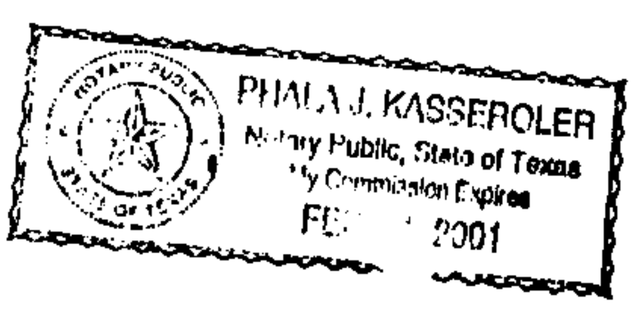


Phala J. Kasseroler
Notary Public in and for the
STATE of TEXAS

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Hunter L. Malson, Vice President of Burlington Resources Trading Inc., a Delaware corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 7th day of August, 1997.



Phala J. Kasseroler
Notary Public in and for the
STATE of TEXAS

STATE OF COLORADO §
§
COUNTY OF ARAPAHOE §

BEFORE ME, the undersigned authority, on this day personally appeared R. G. "Jerry" Albertus, President of Ultra Resources, Inc., a Wyoming corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 12 day of August, 1997.

Notary Public in and for the
STATE of COLORADO

Exhibit "A"

to

the Assignment of Gathering and Marketing Agreements, dated August 7, 1997, from Burlington Resources Oil & Gas Company and Burlington Resources Trading, Inc. collectively, as Assignor, to Ultra Resources, Inc., as Assignee.

Gas Marketing and Sale Agreement dated December 1, 1996, by and between McMurry Oil Company, as Buyer, and Burlington Resources Oil & Gas Company and Burlington Resources Trading Inc., as Seller.

Gas Gathering Agreement dated February 28, 1997, by and between Jonah Gas Gathering Company, as Operator, and Burlington Resources Oil & Gas Company and Burlington Resources Trading Inc.

[redacted] [redacted] [redacted]

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-128176

Lease Effective Date
(Anniversary Date)
Jan. 1, 1993

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

   Ultra Resources, Inc.
   1112 Bonnie Brae
   Casper, WY 82601

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 33 North, Range 109 West, 6th P.M. Sec. 6: Lots 5,6, Sec. 6: SENENESW, NESENESW Sec. 6: S2SENESW, NESESW, SENWSESW Sec. 6: S2SESW Sec. 9: SWNW, W2SW Containing 233.27 acres, more or less Sublette County, Wyoming	100%	100%	-0-	5%	-0-

263321

RECORDED Sept. 5 1997 M 8:40A
IN BOOK 105 0+6 PAGE 916
FEES $ 8.00 CJ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Swan

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Title) (Date)

916

Rider

Lease No. WYW128176

It is specifically understood and agreed that Assignee shall have the right to release and surrender this oil and gas lease herein described, either in whole or in part, at any time and from time to time, provided Assignee first notifies Assignor in writing at least sixty (60) days prior to release or surrender and upon demand of Assignor, if made within thirty (30) days of said notice, Assignee shall reassign the interest which it desires to release or surrender. It is expressly understood and agreed that any reassignment required to be tendered by Assignee or his successors in interest, shall transfer back to the undersigned, his successors or assigns, all of the right, title, and interest in said lease, free from any burdens, alienations, or outstanding interests which may have been created subsequent to this assignment. It is also understood that any liability to Assignee for failure to give such notice shall be limited to the amount paid for this Assignment.

Assignor
Double Eagle Petroleum & Mining Co.

Assignee
Ultra Resources, Inc.

laws of the State in which the lands covered by this assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain or acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options). 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of section 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 28th day of July, 19 97

Name of Assignor as shown on current lease: Double Eagle Petroleum & Mining Co.
Please type or print

Assignor Stephen H. Hollis
(Signature)
or Stephen H. Hollis, President
Attorney-in-fact _____
(Signature)

Box 766
(Assignor's Address)
Casper, WY 82602
(City) (State) (Zip Code)

Executed this 2nd day of September, 19 97

Assignee Ultra Resources, Inc.
or
Attorney-in-fact Charlotte Kay
(Signature)

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-129610

Lease Effective Date
(Anniversary Date)
July 1, 1993

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Ultra Resources, Inc.
   Street 1112 Bonnie Brae
   City, State, ZIP Code Casper, WY 82601

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 32 North, Range 109 West, 6th P.M. Sec. 10: E2NE 263322 Sec. 11: All Sec. 12: All Sec. 13: All Sec. 14: NE, NENW, NESE Sec. 24: NE, NENW Containing 2440.00 acres, more or less. Sublette County, Wyoming	100%	100%	-0-	5%	-0-

8:40 A
RECORDED Sept 5, 1997 M
IN BOOK 105 Misc PAGE 218
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lewis

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

218

Rider

Lease No. WYW129610

It is specifically understood and agreed that Assignee shall have the right to release and surrender this oil and gas lease herein described, either in whole or in part, at any time and from time to time, provided Assignee first notifies Assignor in writing at least sixty (60) days prior to release or surrender and upon demand of Assignor, if made within thirty (30) days of said notice, Assignee shall reassign the interest which it desires to release or surrender. It is expressly understood and agreed that any reassignment required to be tendered by Assignee or his successors in interest, shall transfer back to the undersigned, his successors or assigns, all of the right, title, and interest in said lease, free from any burdens, alienations, or outstanding interests which may have been created subsequent to this assignment. It is also understood that any liability to Assignee for failure to give such notice shall be limited to the amount paid for this Assignment.

Stephen H. Hollis
Assignor
Double Eagle Petroleum & Mining Co.

Charlotte Longo
Assignee
Ultra Resources, Inc.

States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 28th day of July, 19 97

Name of Assignor as shown on current lease Double Eagle Petroleum & Mining Co.
Please type or print

Assignor Stephen H. Hollis (Signature) President
or
Attorney-in-fact _____ (Signature)

P. O. Box 766
(Assignor's Address)

Casper WY 82602
(City) (State) (Zip Code)

Executed this 2nd day of September, 1997

Assignee Ultra Resources, Inc.
or
Attorney-in-fact Charlotte Longo (Signature)

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

FORM TA-81-S REV 9-18-84

RATIFICATION AND RENTAL DIVISION ORDER

KNOW ALL MEN BY THESE PRESENTS:

That, WHEREAS, that certain oil and gas lease, dated March 1, 1997 from Grindstone Cattle Co., A Wyoming Corporation And James M. Miller, Individually, as a single man to Starwood, Inc., A Texas Corporation, as Lessee, recorded in Book _____, Page _____, of the _____ Records of Sublette County, Wyoming, is owned by Starwood, A Texas Corporation in so far as it covers the following described land in Sublette County, Wyoming, to-wit:

EXHIBIT"A" ATTACHED TO AND MADE A PART HEREOF

NOW, THEREFORE, in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, we Grindstone Cattle Co., A Wyoming Corporation And James M. Miller, Individually, as a single man 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 land, and do hereby lease, demise and let said land unto Starwood, Inc., A Texas Corporation 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 all of the delay rentals necessary to extend said lease to the next rental paying date; and each of the undersigned agrees that any delay rentals which may be paid under the terms of said lease with respect to the above described land may be divided as follows:

CREDIT TO	ADDRESS	AMOUNT
Grindstone Cattle Co., And James M. Miller 263367	P.O.Box 105 Daniel, Wyoming 83115	$13,947.20

Sept. 10, 1997 11:30a
105046 220
12.00
By Cathy Scoten

and that payment or tender, of the amount above set forth opposite his name, directly or to his credit in the depository bank 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; provided, that if no amount is above set forth opposite his name, then payment of the amounts above set forth to the other parties, or their successors in interest, will so extend said lease. This instrument shall be fully binding upon, and effective as to the interest of, each of the above named persons who executes the same, without regard to execution or lack of execution by the others or by any other person whomsoever.

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, successors, and assigns of each of us

WITNESS our hands and seals this 12 day of May 1997

ATTEST:

Grindstone Cattle Co., A Wyoming Corp.

BY: Marguerite Hermansen Miller
Marguerite Hermansen, Secretary

BY: James M Miller (SEAL)
James M. Miller, President
Tax ID#: 83-0290959

James M Miller (SEAL)
James M. Miller, Individually, as a single man SSN#: 520-44-8679

220

Printed by P&M Printing (303) 423-4691

STATE OF ARIZONA
COUNTY OF PIMA } 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 12 day of MAY 1997, personally appeared James M. Miller and MARGUERITE HOLMANSON Miller, 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 WAS duly executed the same as A 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

MARJORIE C. BORNS
Notary Public - Arizona
Pima County
My Comm. Expires Apr 30, 2001

Mary L. Borns
Notary Public.

Address: Box 395 Arivaca Az 85601

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 ARIZONA
COUNTY OF PIMA } ss.

ACKNOWLEDGMENT (For use by Corporation)

On this 12 day of MAY, A.D. 1997, before me personally appeared James M. Miller, to me personally known, who, being by me duly sworn, did say that he is the President of Grindstone Cattle Co. 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 12 day of MAY, A.D. 1997.

(SEAL)

My Commission expires

MARJORIE C. BORNS
Notary Public Arizona
Pima County
My Comm. Expires Apr 30, 2001

Mary L. Borns
Notary Public.

Address: Box 395 ARIVACA AZ 85601

No.
FROM
TO
Dated
No. Acres
County
Tsm
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"

Attached to and made a part of that certain Ratification & Rental Division Order, by and between Grindstone Cattle Co., a Wyoming Corporation, and James M. Miller, Individually,as a single man, as Lessors, and Starwood, Inc., a Texas Corporation, as Lessee, to-wit:

DESCRIPTION OF LANDS:

Township 29 North, Range 112 West, 6th P.M.
Section 4: Lot 2 (34.61), Lot 3 (34.77), Lot 4 (34.94), SW/4NE/4, S/2NW/4
Section 5: Lot 1 (35.33), SE/4NE/4

Township 30 North, Range 112 West, 6th P.M.
Section 32: SE/4SE/4
Section 33: S/2

Township 31 North, Range 110 West, 6th P.M.
Section 7: Lot 3 (31.06), Lot 4 (30.98), SE/4SW/4
Section 17: NW/4NE/4, S/2NE/4, NE/4SW/4, SW/4SW/4, SW/4SE/4
Section 18: Lot 1 (30.91), NE/4NW/4, NW/4NE/4, S/2NE/4, NE/4SE/4
Section 20: NW/4NE/4, NE/4NW/4

Township 31 North, Range 111 West, 6th P.M.
Section 11: S/2NE/4, SE/4
Section 12: S/2N/2, S/2
Section 13: N/2N/2

Township 33 North, Range 110 West, 6th P.M.
Section 15: S/2SW/4
Section 16: All
Section 21: E/2, E/2W/2
Section 22: SW/4NE/4, W/2SE/4, W/2
Section 27: NW/4NE/4, W/2SE/4, W/2
Section 28: NE/4, E/2NW/4
Section 34: W/2NE/4, NW/4, NE/4SW/4, W/2SE/4, SE/4SE/4

Township 33 North, Range 111 West, 6th P.M.
Section 4: Lot 3 (40.06), Lot 4 (40.00), S/2NW/4, SW/4

Township 34 North, Range 111 West, 6th P.M.
Section 28: S/2NW/4, SW/4
Section 29: NW/4NE/4, S/2NE/4, SE/4, W/2
Section 30: SE/4SE/4
Section 31: NE/4NE/4
Section 32: N/2, N/2SE/4
Section 33: W/2

Township 34 North, Range 112 West, 6th P.M.
Section 1: Lot 1 (40.01), SE/4NE/4, E/2SE/4

Township 35 North, Range 111 West, 6th P.M.
Section 30: Lot 3 (36.96), Lot 4 (37.02), E/2SW/4, SW/4SE/4
Section 31: Lot 1 (37.08), Lot 2 (37.11), Lot 3 (37.15), Lot 4 (37.19), E/2W/2, W/2E/2, SE/4NE/4, E/SE/4
Section 32: NE/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4

Township 35 North, Range 112 West, 6th P.M.
Section 3: Lot 1 (40.02), Lot 2 (39.97), Lot 3 (39.93), Lot 4 (39.88), S/2N/2, S/2
Section 7: NE/4NE/4
Section 8: N/2NW/4, SW/4NW/4
Section 9: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 10: N/2NE/4, SE/4NE/4, NE/4NW/4
Section 11: S/2N/2, N/2SE/4, NE/4SW/4
Section 13: SW/4SW/4

Section 14: SW/4NE/4, NE/4NW/4, S/2NW/4, S/2
Section 15: S/2N/2, S/2
Section 22: N/2N/2
Section 23: NW/4NE/4, N/2NW/4
Section 25: E/2SE/4

Township 36 North, Range 112 West, 6th P.M.

Section 11: E/2E/2
Section 12: SW/4NW/4, W/2SW/4, and all the portions of NW/4NW/4, E/2W/2 lying and being West of the center line of the State Highway No. 187.
Section 13: W/2NW/4, SW/4, SW/4, and all portions of E/2NW/4 lying and being West of the center line of the State Highway No. 187.
Section 14: E/2NE/4
Section 24: N/2NW/4, SE/4NW/4, NE/4SW/4, S/2SW/4
Section 25: NW/4, N/2SW/4

All above lands containing 12,096.88 acres, more or less.

SIGNED FOR IDENTIFICATION

James M. Miller, President
Grindstone Cattle Co.,
a Wyoming Corporation

Marguerite Hermansen, Secretary
Grindstone Cattle Co.,
a Wyoming Corporation

James M. Miller, Individually,
as a ~~single~~ man

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, THAT:

The undersigned, Energy Investments, Inc. of 168 Parkview, Golden, Colorado 80401, hereinafter called "Assignor" for and in consideration of Ten Dollars ($10.00) and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, does hereby sell, deliver, assign and convey an overriding royalty reserved in that certain Assignment of Oil and Gas leases from Energy Investments, Inc. to Ultra Petroleum Corp. dated January 8, 1997 and recorded in Book 104 at Page 256 in the Sublette County, Wyoming records unto:

Assignees	Overriding Royalty
Energy Investments, Inc. 168 Parkview Golden, Colorado 80401	.038834% of 8/8ths
Dual Resources, Inc. 475 17th Street, Suite 980 Denver, Colorado 80202	.077668% of 8/8ths
Travis Energy Group, Inc. c/o William T. Brown, Jr. 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.038834% of 8/8ths
J. Timothy Brittan 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.038834% of 8/8ths
James Brownlie 475 17th Street, Suite 980 Denver, Colorado 80202	.038834% of 8/8ths

IT IS THE INTENT OF THE ASSIGNOR HEREIN TO CONVEY ALL OF IT'S INTEREST AS TO THE LEASES SET OUT IN EXHIBIT A IN THE FOLLOWING PERCENTAGES:

ENERGY INVESTMENTS, INC.	**16.6667% of 8/8THS**
DUAL RESOURCES, INC.	**33.3333% of 8/8THS**
TRAVIS ENERGY GROUP, INC.	**16.6666% of 8/8THS**
J. TIMOTHY BRITTAN	**16.6666% of 8/8THS**
JAMES BROWNLIE	**16.6666% of 8/8THS**

of all the oil, gas and other hydrocarbons produced, saved and marketed from said land under the terms of said lease. Said Oil and Gas Leases more fully described on the attached Exhibit A, attached hereto and by this reference made a part hereof.

This Overriding Royalty Interest shall be free and clear of and shall be in addition to all existing royalties, overriding royalties or other payments out of production and shall be delivered free of cost into the pipeline or tanks at which said well or wells may be connected.

The Overriding Royalty Interest hereby assigned shall bear its proportionate share of all severance, production, and/or ad valorem taxes now or hereafter affecting the same.

If the Oil and Gas Lease covers less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, the overriding royalty interest herein conveyed by the Assignor, with respect to that certain tract or tracts, shall be proportionately reduced.

IN WITNESS WHEREOF, This instrument is executed this 7th day of May, 1997 , without warranties, either express or implied.

ENERGY INVESTMENTS, INC.

BY: _____
Stephen P. Chamberlain
President

263376

Sept. 11 10 97 8:05A
105.00+6 224
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DALE WYO.

224 By Cathy Easton

225

ACKNOWLEDGMENT

STATE OF COLORADO)
CITY &) ss.
COUNTY OF DENVER)

BE IT REMEMBERED, that on this 7th day of May, 1997, before me personally appeared Stephen P. Chamberlain to me personally known, who, being by me duly sworn, did say that he is the President of Energy Investments, Inc., a Colorado corporation, and said Officer acknowledged said instrument to be the free act and deed of said corporation. WITNESS my hand and seal this 7th day of May, 1997.

My commission expires: 4/25/98

Notary Public
Residing at: Denver, Colo.

[redacted] to and made a part of that certain [redacted] gnment of Overriding Royalty dated May 7, 1997, by and between Energy Investments, Inc. and Dual Resources, Inc. et al

EXHIBIT A
SUBLETTE COUNTY, WYOMING

LESSOR: State of Wyoming 94-00293
LEASE DATE: 6/02/94
RECORDING BOOK/PAGE: Not recorded
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 16: All

LESSOR: State of Wyoming 94-00294
LEASE DATE: 6/02/94
RECORDING BOOK/PAGE: Not recorded
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 36: NW4/NE4, S2/NE4, NW4, S2

227

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, THAT:

The undersigned, Energy Investments, Inc. of 168 Parkview, Golden, Colorado 80401, hereinafter called "Assignor" for and in consideration of Ten Dollars ($10.00) and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, does hereby sell, deliver, assign and convey an overriding royalty reserved in that certain Assignment of Oil and Gas leases from Energy Investments, Inc. to Ultra Petroleum Corp. dated January 8, 1997 and recorded in Book 104 at Page 256 in the Sublette County, Wyoming records unto:

Assignees	Overriding Royalty
Energy Investments, Inc. 168 Parkview Golden, Colorado 80401	.45% of 8/8ths
Dual Resources, Inc. 475 17th Street, Suite 980 Denver, Colorado 80202	.90% of 8/8ths
Travis Energy Group, Inc. c/o William T. Brown, Jr. 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.60% of 8/8ths
J. Timothy Brittan 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.60% of 8/8ths
James Brownlie 475 17th Street, Suite 980 Denver, Colorado 80202	.45% of 8/8ths

IT IS THE INTENT OF THE ASSIGNOR HEREIN TO CONVEY ALL OF IT'S INTEREST AS TO THE LEASES SET OUT IN EXHIBIT A IN THE FOLLOWING PERCENTAGES:

ENERGY INVESTMENTS, INC.	**15% of 8/8THS**
DUAL RESOURCES, INC.	**30% of 8/8THS**
TRAVIS ENERGY GROUP, INC.	**20% of 8/8THS**
J. TIMOTHY BRITTAN	**20% of 8/8THS**
JAMES BROWNLIE	**15% of 8/8THS**

of all the oil, gas and other hydrocarbons produced, saved and marketed from said land under the terms of said lease. Said Oil and Gas Leases more fully described on the attached Exhibit A, attached hereto and by this reference made a part hereof.

This Overriding Royalty Interest shall be free and clear of and shall be in addition to all existing royalties, overriding royalties or other payments out of production and shall be delivered free of cost into the pipeline or tanks at which said well or wells may be connected.

The Overriding Royalty Interest hereby assigned shall bear its proportionate share of all severance, production, and/or ad valorem taxes now or hereafter affecting the same.

If the Oil and Gas Lease covers less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, the overriding royalty interest herein conveyed by the Assignor, with respect to that certain tract or tracts, shall be proportionately reduced.

IN WITNESS WHEREOF, This instrument is executed this 7th day of May, 1997 , without warranties, either express or implied.

ENERGY INVESTMENTS, INC.

BY: _____

Stephen P. Chamberlain
President

263377

RDED Sept 11 1997 8:05
105 0+6 227
10.00
EDALE

[redacted] [redacted] [redacted]

ACKNOWLEDGMENT

STATE OF COLORADO)
CITY &) ss.
COUNTY OF DENVER)

BE IT REMEMBERED, that on this 7th day of May, 1997, before me personally appeared Stephen P. Chamberlain to me personally known, who being by me duly sworn, did say that he is the President of Energy Investments, Inc., a Colorado corporation and said Officer acknowledged said instrument to be the free act and deed of said corporation. WITNESS my hand and seal this 7th day of May, 1997.

My commission expires: 4/25/98

Notary Public
Residing at: Denver, Co/C

May 7, 1997, by and between Energy Investments, Inc. and Dual Resources, Inc. et al

229

EXHIBIT A
SUBLETTE COUNTY, WYOMING

LESSOR: Margaret Mocroft Family Limited Partnership
LEASE DATE: 10/1/94
RECORDING BOOK/PAGE: Book 100, Page 587
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 26: SW4
Section 35: N2/NW4, NE4, SE4/NW4

LESSOR: Margaret Mocroft Family Limited Partnership
LEASE DATE: 10/1/94
RECORDING BOOK/PAGE: Book 100, Page 583
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 22: S2

LESSOR: Margaret Mocroft Family Limited Partnership
LEASE DATE: 10/1/94
RECORDING BOOK/PAGE: Book 100, Page 595
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 15: SW4
Section 22: NW4
Section 21: E2/NE4

LESSOR: Margaret Mocroft Family Limited Partnership
LEASE DATE: 10/1/94
RECORDING BOOK/PAGE: Book 100, Page 579
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 27: NE4, E2/NW4, NW4/NW4, N2/SE4

LESSOR: Margaret Mocroft Family Limited Partnership
LEASE DATE: 10/1/94
RECORDING BOOK/PAGE: Book 100, Page 591
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 25: SW4, W2/SE4
Section 26: E2/SE4, SW4/SE4 EXCEPT the following tracts:

That part of the NW4/SE4 of Section 25, Township 33 North, Range 109 West of the Sixth Principle Meridian lying and being situate northeasterly of the centerline of the right of way for Wyoming State Highway 187 as the same appears on the map prepared by the Wyoming Highway Department, Project No. NPH140F, Sheet 7, and filed for record in the office of the Sublette County Clerk of Sublette County, Wyoming; said tract containing 1.57 acres

A tract of land located in Sublette County, State of Wyoming, in the S2 of Section 25, Township 33 North, Range 109 West of the Sixth Principal Meridian, and more particularly described as follows:
Beginning at a point which is South 86°18'46" East, a distance of 995.76 feet from the quarter section corner common to Sections 25 and 26; thence North 89°04'45" East, a distance of 1084.58 feet; thence South 57°20'00" East, a distance of 1273.81 feet; thence South 32°40'00" West, a distance of 800 feet; thence North 57°20'00" West, a distance of 2177.31 feet to the point of beginning; said tract containing 23.77 acres, more or less

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, THAT:

The undersigned, Energy Investments, Inc. of 168 Parkview, Golden, Colorado 80401, hereinafter called "Assignor" for and in consideration of Ten Dollars ($10.00) and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, does hereby sell, deliver, assign and convey an overriding royalty reserved in that certain Assignment of Oil and Gas leases from Energy Investments, Inc. to Ultra Petroleum Corp. dated January 8, 1997 and recorded in Book 104 at Page 256 in the Sublette County, Wyoming records unto:

Assignees	Overriding Royalty
Energy Investments, Inc. 168 Parkview Golden, Colorado 80401	.0583345% of 8/8ths
Dual Resources, Inc. 475 17th Street, Suite 980 Denver, Colorado 80202	1.16669% of 8/8ths
Travis Energy Group, Inc. c/o William T. Brown, Jr. 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.0583345% of 8/8ths
J. Timothy Brittan 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.0583345% of 8/8ths
James Brownlie 475 17th Street, Suite 980 Denver, Colorado 80202	.0583345% of 8/8ths

IT IS THE INTENT OF THE ASSIGNOR HEREIN TO CONVEY ALL OF IT'S INTEREST AS TO THE LEASES SET OUT IN EXHIBIT A IN THE FOLLOWING PERCENTAGES:

ENERGY INVESTMENTS, INC.	**16.6667% of 8/8THS**
DUAL RESOURCES, INC.	**33.3333% of 8/8THS**
TRAVIS ENERGY GROUP, INC.	**16.6666% of 8/8THS**
J. TIMOTHY BRITTAN	**16.6666% of 8/8THS**
JAMES BROWNLIE	**16.6666% of 8/8THS**

of all the oil, gas and other hydrocarbons produced, saved and marketed from said land under the terms of said lease. Said Oil and Gas Leases more fully described on the attached Exhibit A, attached hereto and by this reference made a part hereof.

This Overriding Royalty Interest shall be free and clear of and shall be in addition to all existing royalties, overriding royalties or other payments out of production and shall be delivered free of cost into the pipeline or tanks at which said well or wells may be connected.

The Overriding Royalty Interest hereby assigned shall bear its proportionate share of all severance, production, and/or ad valorem taxes now or hereafter affecting the same.

If the Oil and Gas Lease covers less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, the overriding royalty interest herein conveyed by the Assignor, with respect to that certain tract or tracts, shall be proportionately reduced.

IN WITNESS WHEREOF, This instrument is executed this 7th day of May, 1997, without warranties, either express or implied.

ENERGY INVESTMENTS, INC.

BY: _____

Stephen P. Chamberlain
President

263378

RECORDED Sept 11 1997 8:05 AM
105 O+G 230
10.00

By Cathy Saxton

230

ACKNOWLEDGMENT

STATE OF COLORADO)
CITY &) ss.
COUNTY OF DENVER)

BE IT REMEMBERED, that on this 7th day of May, 1997, before me personally appeared Stephen P. Chamberlain to me personally known, who, being by me duly sworn, did say that he is the President of Energy Investments, Inc., a Colorado corporation and said Officer acknowledged said instrument to be the free act and deed of said corporation. WITNESS my hand and seal this 7th day of May, 1997.

My commission expires: 7-25-95

Notary Public
Residing at: Denver, Colo

[redacted] to and made a part of that certain [redacted] Assignment of Overriding Royalty dated May 7, 1997, by and between Energy Investments, Inc. and Dual Resources, Inc. et al

EXHIBIT A
SUBLETTE COUNTY, WYOMING

LESSOR: United States of America WYW 135123
LEASE DATE: 2/01/95
RECORDING BOOK/PAGE: Not recorded
DESCRIPTION:

Township 32 North, Range 109 West, 6th P.M.
Section 4: Lots 5, 6, 7, 11, 12, 13 & 14
Section 5: Lots 1
Section 10: W2/NE4, W2, SE4
Section 14: W2/NW4, SE4/NW4, SW4, W2/SE4, SE4/SE4
Section 15: E2
Section 18: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12
Section 19: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12

233

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, THAT:

The undersigned, Dual Resources, Inc. of 475 17th Street, Suite 980, Denver, Colorado 80202, hereinafter called "Assignor" for and in consideration of Ten Dollars ($10.00) and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, does hereby sell, deliver, assign and convey an overriding royalty reserved in that certain Assignment of Oil and Gas leases from Dual Resources, Inc. to Ultra Petroleum Corp. dated January 8, 1997 and recorded in Book 104 at Page 251 in the Sublette County, Wyoming records unto:

Assignees	Overriding Royalty
Energy Investments, Inc. 168 Parkview Golden, Colorado 80401	1.125% of 8/8ths
Dual Resources, Inc. 475 17th Street, Suite 980 Denver, Colorado 80202	2.250% of 8/8ths
Travis Energy Group, Inc. c/o William T. Brown, Jr. 730 17th Street, Suite 250 Denver, Colorado 80202-3506	1.500% of 8/8ths
J. Timothy Brittan 730 17th Street, Suite 250 Denver, Colorado 80202-3506	1.500% of 8/8ths
James Brownlie 475 17th Street, Suite 980 Denver, Colorado 80202	1.125% of 8/8ths

IT IS THE INTENT OF THE ASSIGNOR HEREIN TO CONVEY ALL OF IT'S INTEREST AS TO THE LEASES SET OUT IN EXHIBIT A IN THE FOLLOWING PERCENTAGES:

ENERGY INVESTMENTS, INC.	**15% of 8/8THS**
DUAL RESOURCES, INC.	**30% of 8/8THS**
TRAVIS ENERGY GROUP, INC.	**20% of 8/8THS**
J. TIMOTHY BRITTAN	**20% of 8/8THS**
JAMES BROWNLIE	**15% of 8/8THS**

of all the oil, gas and other hydrocarbons produced, saved and marketed from said land under the terms of said lease. Said Oil and Gas Leases more fully described on the attached Exhibit A, attached hereto and by this reference made a part hereof.

This Overriding Royalty Interest shall be free and clear of and shall be in addition to all existing royalties, overriding royalties or other payments out of production and shall be delivered free of cost into the pipeline or tanks at which said well or wells may be connected.

The Overriding Royalty Interest hereby assigned shall bear its proportionate share of all severance, production, and/or ad valorem taxes now or hereafter affecting the same.

If the Oil and Gas Lease covers less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, the overriding royalty interest herein conveyed by the Assignor, with respect to that certain tract or tracts, shall be proportionately reduced.

IN WITNESS WHEREOF, This instrument is executed this 7th day of May, 1997 , without warranties, either express or implied.

DUAL RESOURCES, INC.

BY: Mark S. Wallace
Mark S. Wallace
President

263379

RECORDED Sept 11 1997 8:05 A
105 Or6 233
10.00
SUBLETTE COUNTY, PINEDALE
By Cathy Cooke

ACKNOWLEDGMENT

STATE OF COLORADO)
CITY &) ss.
COUNTY OF DENVER)

BE IT REMEMBERED, that on this 7th day of May, 1997, before me personally appeared Mark S. Wallace to me personally known, who, being by me duly sworn, did say that he is the President of Dual Resources, Inc., a Colorado corporation and said Officer acknowledged said instrument to be the free act and deed of said corporation. WITNESS my hand and seal this 7th day of May, 1997.

My commission expires: 4/25/98

Notary Public
Residing at: Denver, Colo.

Attached to and made a part of that certain Assignment of Overriding Royalty dated May 7, 1997, by and between Dual Resources, Inc. and Energy Investments, Inc et al

EXHIBIT A

SUBLETTE COUNTY, WYOMING

LESSOR: The Shriver Family Revocable Trust
LEASE DATE: 8/4/94
RECORDING BOOK/PAGE: Book 99, Page 408
DESCRIPTION:

Township 34 North, Range 109 West of the 6th P.M.
Section 28: NW4/NW4, S2/NW4, NE4/SW4
Section 29: SW4/NW4, SW4

EXCEPTING THEREFROM those parcels or the applicable portion of those parcels conveyed as follows:
Forrest Gordon Cramer and Lelia Jean Cramer, husband and wife by instrument recorded in Book 12 of Deeds, page 439;
Larry J. Kirkpatrick and Pamelyn R. Kirkpatrick, husband and wife by instrument recorded in Book 13 of Deeds, Page 519;
Kenneth K. Rowe and Elmira A. Rowe, husband and wife by instrument recorded in Book 12 of Deeds, Page 553;
Charles O. Fuller and Alice Ray Fuller, husband and wife by instrument recorded in Book 13 of Deeds, Page 83;
Rulon G. McRae and Nancy D. McRae, husband and wife by instrument recorded in Book 13 of Deeds, Page 445;

Section 30: Lot 1 (38.63), SE4/NE4, and the South 18 acres of the NE4/NE4
Section 32: NW4/NW4

AND that portion of the NE/4 of Section 31 and the SW/4SE/4 of Section 30, Township 34 North, Range 109 West of the 6th P.M., more particularly described as follows:

Beginning at the corner common to Sections 29, 30, 31 and 32, Township 34 North, Range 109 West, and proceeding thence southerly along the east boundary line of Section 31 a distance of 1,580 feet, more or less, to a fence corner; thence proceeding along the fence N. 38° 16' W., 344 feet; thence N. 20° 15' W., 447 feet; thence N. 72° 42' W., 501 feet; thence S. 73° 55' W., 297 feet; thence N. 23° 35' W., 506 feet; thence N. 44° 03' W., 297 feet; thence N. 12° 00' W., 708 feet: thence N. 22° 04' W., 852 feet, more or less, to the north line of the SW4/SE4 of Section 30, T. 34 N.,R. 109 W.; thence proceeding easterly along said north line of the SW4/SE4 of Section 30 a distance of 686 feet, more or less, to the northeast corner of the SW4/SE4 Section 30; thence proceeding southerly along the east line of the SW4/SE4 a distance of 1,320 feet, more or less, to the southeast corner of the SW4/SE4 of Section 30 thence proceeding easterly along the north line of the NE/4 of Section 31, T. 34 N., R. 109 W., a distance of 1,320 feet, more or less, to the point of beginning;

Township 34 North, Range 110 West of the 6th P.M.
Section 24: SE4
Section 25: NW4/NE4

LESSOR: Steele Ranches Partnership
LEASE DATE: 8/4/94
RECORDING BOOK/PAGE: Book 99, Page 404
DESCRIPTION:

Township 34 North, Range 109 West, 6th P.M.
Section 30: Lots 2 and 3, SW4/NE/4, SE4/NW4
Township 34 North, Range 110 West, 6th P.M.
Section 25: NE4/NE4, S2/NE4, SE4/NW4, SW4, W2/SE4, NE4/SE4

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, THAT:

The undersigned, Dual Resources, Inc. of 475 17th Street, Suite 980, Denver, Colorado 80202, hereinafter called "Assignor" for and in consideration of Ten Dollars ($10.00) and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, does hereby sell, deliver, assign and convey an overriding royalty reserved in that certain Assignment of Oil and Gas leases from Dual Resources, Inc. to Ultra Petroleum Corp. dated January 8, 1997 and recorded in Book 104 at Page 251 in the Sublette County, Wyoming records unto:

Assignees	Overriding Royalty
Energy Investments, Inc. 168 Parkview Golden, Colorado 80401	.45% of 8/8ths
Dual Resources, Inc. 475 17th Street, Suite 980 Denver, Colorado 80202	.90% of 8/8ths
Travis Energy Group, Inc. c/o William T. Brown, Jr. 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.60% of 8/8ths
J. Timothy Brittan 730 17th Street, Suite 250 Denver, Colorado 80202-3506	.60% of 8/8ths
James Brownlie 475 17th Street, Suite 980 Denver, Colorado 80202	.45% of 8/8ths

IT IS THE INTENT OF THE ASSIGNOR HEREIN TO CONVEY ALL OF IT'S INTEREST AS TO THE LEASES SET OUT IN EXHIBIT A IN THE FOLLOWING PERCENTAGES:

ENERGY INVESTMENTS, INC.	**15% of 8/8THS**
DUAL RESOURCES, INC.	**30% of 8/8THS**
TRAVIS ENERGY GROUP, INC.	**20% of 8/8THS**
J. TIMOTHY BRITTAN	**20% of 8/8THS**
JAMES BROWNLIE	**15% of 8/8THS**

of all the oil, gas and other hydrocarbons produced, saved and marketed from said land under the terms of said lease. Said Oil and Gas Leases more fully described on the attached Exhibit A, attached hereto and by this reference made a part hereof.

This Overriding Royalty Interest shall be free and clear of and shall be in addition to all existing royalties, overriding royalties or other payments out of production and shall be delivered free of cost into the pipeline or tanks at which said well or wells may be connected.

The Overriding Royalty Interest hereby assigned shall bear its proportionate share of all severance, production, and/or ad valorem taxes now or hereafter affecting the same.

If the Oil and Gas Lease covers less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, the overriding royalty interest herein conveyed by the Assignor, with respect to that certain tract or tracts, shall be proportionately reduced.

IN WITNESS WHEREOF, This instrument is executed this 7th day of May, 1997 , without warranties, either express or implied.

DUAL RESOURCES, INC.

263380

BY: Mark S Wallace

Mark S. Wallace
President

RECORDED Sept. 11 1997 8:05 A
10.50+6
10.00 236
By Cathy Saxton

236

ACKNOWLEDGMENT

STATE OF COLORADO)
CITY &) ss.
COUNTY OF DENVER)

BE IT REMEMBERED, that on this 7th day of May, 1997, before me personally appeared Mark S. Wallace to me personally known, who, being by me duly sworn, did say that he is the President of Dual Resources, Inc., a Colorado corporation and said Officer acknowledged said instrument to be the free act and deed of said corporation. WITNESS my hand and seal this 7th day of May, 1997.

My commission expires: 4/25/98

Notary Public
Residing at: Denver, Colo.

[redacted]ed to and made a part of that certain Assignment of Overriding Royalty dated [redacted] May 7, 1997, by and between Dual Resources, Inc. and Energy Investments, Inc et al [redacted]

EXHIBIT A

SUBLETTE COUNTY, WYOMING

LESSOR: Paul C. and Bette Ann Hagenstein
LEASE DATE: 10/3/94
RECORDING BOOK/PAGE: Book 100, Page 576
DESCRIPTION:

Township 33 North, Range 109 West, 6th P.M.
Section 14: W2/SE4, E2/SW4
Section 22: NE4
Section 23: N2, and that part of the E2/SE4 more particularly described as follows:

Beginning at the southeast corner of the said Section 23 where is found a blue granite stone 7"x 5"x6" above ground marked - on E and = on S with pits in each section and mound of earth; thence South 89°59' West 660.00 feet along the south line of said Section 23 to a point; thence North 36°07' West, 1113.1 feet to a point on the west line of the said E/2SE4; thence North 00°04' East, 1765.0 feet along the said west line to the northwest corner of the said E2/SE4: thence south 89°59' East, 1318.7 feet along the north line of the said E2/SE4 to the east one-quarter corner of said Section 23 which is as described on the map for the South Bench Road of record in the Office of the Clerk of Sublette County; thence South 00°06' West, 2663.7 feet along the east line of said Section 23 to the point of beginning; each point being marked by a steel T-shaped stake 24" long with brass cap inscribed "SURVEY POINT DO NOT DISTURB RLS164"; containing an area of 73.81 acres, more or less; all in accordance with the map prepared and filed for record in the Office of the Clerk of Sublette County;

Section 24: SW4

LESSOR: David D. Maytag and Betty a. Maytag
LEASE DATE: 1/23/95
RECORDING BOOK/PAGE: Book 101, Page 187
DESCRIPTION:

TOWNSHIP 33 NORTH, RANGE 109 WEST OF THE 6TH P.M.

That part of the SW4 of Section 10 and the NW4 of Section 15 lying and being situated southerly and easterly the following described line:

Beginning at the southeast corner of the SW4 of Section 10; thence N.67°05.1'W., 894.53 feet, to a point; thence N.86°25.2'W., 296.74 feet, to a point; thence S.03°23.4'W., 754.04 feet, to a point; thence continuing S.03°23.4'W., 225.77 feet, to a point; thence S.28°50.0'E., 676.50 feet, to a point; thence S.25°32.3'E., 257.64 feet, to a point; thence S.58°56.4'E., 84.72 feet, to a point; thence S.51°46.0'E., 215.47 feet, to a point; thence S.27°48.8'E., 298.12 feet, to a point; thence S.02°27.4'W., 464.00 feet, to a point; thence S.39°02.5'E., 363.04 feet, to a point near the left bank of the New Fork River; thence S.03°18.2'E., 37.26 feet, to a point on the south line of the N2 of Section 15.

Section 15: W2/E2 less and except the following described tract:

Beginning at a point which is the E/16 corner of said Section 15 from which the Northeast corner of said Section 15 bears N. 89° 40' 02" E., a distance of 1338.77 feet; thence from said point of beginning S. 00° 13' 03" E., along the East boundary of said NW/4NE/4, a distance of 619.81 feet to a point of intersection of said East boundary and the East right-of way line of Wyoming State Highway 191; thence N. 02° 33' 10" W., along said East right-of-way line of Highway 191, a distance of 620.27 feet to a point of intersection of said East right-of-way line and the North boundary line of said NW/4NE/4, thence N. 89° 40' 02" E., along said North boundary, a distance of 25.27 feet to the point of beginning.

239

CORRECTED

RECORDED Nov. 27 1996 11:45a M
IN BOOK 104 046 PAGE 112
FEES $18.25 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Caty Saxton

WELLBORE ASSIGNMENT AND BILL OF SALE

259848

THIS AGREEMENT, entered into this 1st day of October, 1996, by and between Chevron U.S.A. Inc., a Pennsylvania corporation, whose mailing address is 1301 McKinney, Houston, Texas 77010 (hereinafter "Assignor") and Enron Oil & Gas Company, a Delaware corporation, whose mailing address is 1625 Broadway, Suite 1300, Denver, Colorado 80202 (hereinafter "Assignee").

RECEIVED
DEC 2 1996
ENRON OIL & GAS

DOES WITNESS THAT:

In consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and of the performance by Assignee of the covenants, agreements, obligations and conditions hereinafter contained, to be kept and performed by Assignee, it is agreed between the parties as follows, to-wit:

1. Assignment. Assignor does hereby assign, transfer and convey to Assignee, without warranty express or implied, all of Assignor's right, title and interest in and to the existing wellbores only of the wells listed in Exhibit "A" attached hereto and by reference made a part hereof for all purposes from the surface to total depth, and the property interests listed in Exhibit "A" as limited therein, if any, only insofar as said property pertains to the wellbore interests assigned herein, (hereinafter referred to as the "Assigned Premises"), subject to all of the covenants and conditions hereof. Assignor also conveys to Assignee any easements, rights-of-way or other rights of ingress and egress, permits, licenses and orders appertaining to the Assigned Premises, excepting, reserving and retaining therefrom all other such rights unto Assignor with respect to property not conveyed hereby.

2. Bill of Sale. Assignor does hereby convey unto Assignee all of Assignor's right, title and interest in and to the wells listed in Exhibit "A" attached hereto, (hereinafter referred to as the "Wells") and to the personal property, flow lines, surface equipment, or any other equipment associated therewith (hereinafter referred to as the "Personal Property").

Assignee shall not have the right to use the Assigned Premises, Wells, or Personal Property to produce oil or gas from the Mesa Verde formation.

3. No Warranty or Representation by Assignor. This Assignment and Bill of Sale is made on an "AS IS, WHERE IS" basis and "WITH ALL FAULTS", and WITHOUT WARRANTIES WHATSOEVER WITH RESPECT TO ANY INTEREST HEREIN CONVEYED, EITHER EXPRESS OR IMPLIED, it being expressly agreed by Assignor and Assignee that ASSIGNOR MAKES NO WARRANTIES OR REPRESENTATION WITH RESPECT TO ORIGIN, QUANTITY, QUALITY, CONDITION, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, SAFETY OF EQUIPMENT, COMPLIANCE WITH GOVERNMENTAL REGULATIONS, TITLE TO PERSONAL PROPERTY, OR OF TITLE TO OR CONDITION OF THE ASSIGNED PREMISES AND RELATED FIXTURES AND IMPROVEMENTS. All descriptions set forth herein and all information heretofore or hereafter furnished Assignee by Assignor concerning the Assigned Premises, Wells and Personal Property, and the operation thereof, have been and shall be furnished solely for Assignee's convenience and have not constituted and shall not constitute a representation or warranty of any kind by Assignor, and any reliance thereupon by Assignee shall be at Assignee's sole risk and liability.

Assignee specifically assumes the risk of description, title, and the condition of the Assigned Premises. Assignee has been given the opportunity to inspect the Assigned Premises prior to the effective date including but not limited to the physical and environmental condition, both surface and subsurface, of the Assigned Premises. Assignee may as a part of its environmental assessment test for the presence of

263396

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IN BOOK 105 046 PAGE 239
FEES $18.25 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Caty Saxton

Naturally Occurring Radioactive Materials (hereinafter referred to as "NORM"). After the effective date Assignee agrees to defend, indemnify and hold Assignor harmless from any and all claims arising from the presence of NORM.

4. Reservations. All oil in tanks above the pipeline connections from the Wells to the tanks as of 7:00 A.M. on the effective date hereof is not to be part of this agreement, but shall remain the property of Assignor and shall be delivered to the pipeline company for the account of Assignor. All gas produced and the proceeds of gas produced prior to 7:00 A.M. on the effective date hereof shall likewise not be part of this agreement but shall remain the property of Assignor. With the exception of natural gas imbalances, Assignor also reserves and retains all claims and causes of action Assignor may have, as of the effective date, against the purchaser or purchasers of oil or gas from the properties covered by this Wellbore Assignment and Bill of Sale. This agreement further does not include any equipment or lines of the purchaser or purchasers of oil and gas from the Assigned Premises and does not include any of Assignor's work files at field offices serving the Assigned Premises, or any tools, pulling machines, trucks or other equipment that may be located temporarily on the Assigned Premises, and Assignor shall have the right at any time to remove the same from the Assigned Premises.

Assignor shall invoice Assignee for Assignor's share of ending oil tank inventories, and Assignee shall pay such invoice within 30 days of receipt. Assignor shall value the ending oil inventory, and Assignee agrees to pay such invoices, at the value Assignor would have received if oil had been sold to Assignor's oil purchaser on the effective date of sale.

Assignor shall give Assignee reasonable notice of the final gauging of oil inventories, and Assignee shall have the option to jointly gauge such inventories. Assignee and Assignor shall acknowledge in writing the results of final gauging. Regardless of whether Assignee participates in gauging, the results of Assignor's final gauging shall be binding upon Assignee.

5. Transfers. Assignor will, upon request, execute and deliver transfer orders directing purchasers of production to make payment to Assignee on production from the Assigned Premises after 7:00 a.m. on the effective date. Assignor shall make its files and records pertaining to the Assigned Premises available to Assignee for inspection.

6. Taxes and Payables. All credits and payment obligations associated with the Assigned Premises including but not limited to royalties, lease and other forms of contractual payments (including prepayments) and ad valorem, property, and other forms of taxes, which have been paid by Assignor or which have accrued on or before the effective date, shall be prorated between Assignor and Assignee as of the effective date. Assignor shall be responsible for all oil and gas production taxes, windfall profits taxes, and any other similar taxes applicable to oil and gas production occurring prior to the effective date, and Assignee shall be responsible for all such taxes applicable to oil and gas production occurring on and after the effective date. Assignee shall be responsible for all sales, use and similar taxes arising out of the sale of the Assigned Premises. Assignee shall pay Assignor all state and local sales or use taxes applicable to that portion of the Assigned Premises which is tangible personal property, and Assignor shall remit such amount to the appropriate taxing authority in accordance with applicable law; provided, however, that if Assignee holds a direct payment permit which is valid on the effective date, Assignee shall assume all responsibility for remitting to the appropriate taxing authority the state and local sales and use taxes due, and shall provide Assignor with any exemption certificates or other documentation required under applicable law in lieu of paying Assignor the taxes due. Assignee shall hold harmless and shall indemnify Assignor for any sales or use taxes assessed against Assignor by any taxing authority in respect of the sale of the Assigned Premises, including the amounts of any penalties, interest and attorneys' fee. Any legal expenses incurred by Assignor to reduce or avoid any of the aforementioned taxes, shall be paid or reimbursed by Assignee. Should this Assignment and Bill of Sale constitute an

isolated or occasional sale and not be subject to sales or use tax with any of the taxing authorities having jurisdiction over this transaction, no sales tax will be collected by Assignor from Assignee. Assignor agrees to cooperate with Assignee in demonstrating that the requirements for an isolated or occasional sale or any other sales tax exemption have been met.

After the effective date, Assignor will pay only that portion of invoices received pertaining to the Assigned Premises that are applicable to work performed or material received in the period prior to the effective date; other charges and invoices will be returned to the vendor for rebilling to Assignee. Similarly, after the effective date, Assignee will pay only that portion of invoices received pertaining to the Assigned Premises that are applicable to work performed or material received in the period subsequent to the effective date; other charges and invoices will be returned to the vendor for rebilling to Assignor.

Assignor shall retain all rights and obligations regarding outstanding accounts receivable pertaining to the Assigned Premises for periods prior to the effective date. In the event Assignor is unsuccessful in collecting all or any portion of said receivables, Assignor shall so advise Assignee and Assignee shall cooperate with Assignor in attempting to collect the receivables to whatever extent is legally possible.

7. Natural Gas Imbalances. Prorationing of accounts, as described in the preceding Article hereof, is not applicable to an imbalance in Assignor's gas production account, whether or not a gas balancing agreement is in effect. Regardless of whether Assignor is overproduced or underproduced as to its share of total gas production, any balancing obligation or credit arising from such over or underproduction shall transfer to Assignee on the effective date of this Assignment and Bill of Sale and, Assignor shall have no further liability or benefit therefrom (whichever the case may be) and as of said effective date, Assignee assumes any such obligation. If Assignor is a party to a gas balancing agreement(s) covering all or a portion of the Assigned Premises, Assignee shall assume all rights and duties of Assignor pursuant thereto. If all or a portion of the Assigned Premises are not covered by a gas balancing agreement, Assignee shall fulfill its obligations under this provision in accordance with the applicable state law. Assignee agrees to indemnify, defend and hold Assignor harmless against any and all losses, claims, suits and liabilities arising directly or indirectly out of Assignee's failure to fulfill its obligation under this provision.

8. Indemnity of Assignor. (a) Assignee agrees to assume responsibility for and comply with all duties and obligations of Assignor regarding plugging and abandonment of the Wells, removal of Personal Property and necessary surface remediation and cleanup, all in accordance with applicable laws, statutes, governmental orders and regulations. Assignee further agrees to defend, release, protect, indemnify and hold Assignor harmless from any and all damage, loss, injury, liabilities or expenses (including but not limited to, reasonable attorneys' fees and costs of court, reasonable costs of investigating any claim, site assessments, testing and remedial actions) arising from Assignee's failure to plug and abandon such Wells, remove such Personal Property or perform such remediation and cleanup. Assignee acknowledges that the Assigned Premises have been used for oil and gas drilling and producing operations, transportation operations, related oilfield operations and possibly the storage and disposal of waste materials incidental to or occurring in connection with such operations, and that physical changes in the land may have occurred as a result of such uses and that Assignee has entered into this Agreement on the basis of Assignee's own investigation of the physical condition of the Assigned Premises, including subsurface conditions. Assignee is acquiring the Assigned Premises precisely and only in an "as is and where is" condition and assumes the risk that adverse physical conditions which may not have been revealed by Assignee's investigation are located thereon. Assignee hereby agrees to assume full responsibility for compliance with all obligations, liabilities and regulations concerning all of such conditions, known or unknown, and further agrees to defend, indemnify and hold Assignor harmless (including, but not limited to, indemnification for liability under CERCLA, RCRA, CWA, CAA and all other federal, state and local

environmental laws and regulations, as well as all acts, laws and regulations amendatory or supplemental thereto) against any and all damage, loss, injury, liabilities, or expenses (including but not limited to reasonable attorneys' fees and costs of court, reasonable costs of investigating any claim, site assessments, testing and remedial actions) pertaining to the environmental condition of the Assigned Premises (whether relating to periods before or after the Effective Date). Any future assignment by Assignee of any interest acquired hereunder shall reference and describe Assignee's obligations to Assignor set forth herein.

(b) Assignee agrees to protect, indemnify and hold Assignor harmless from and against any and all liability, loss, damage, injury and claims, demands and causes of action therefor asserted or filed after the effective date hereof in any way arising from operations or activities related to the Assigned Premises, Wells and Personal Property and the contracts and agreements appertaining thereto (whether relating to periods before or after the Effective Date) based upon any theory of negligence, liability without fault or other, and whether based upon any alleged act or omission of Assignor, Assignee or any other party.

(c) Assignee shall observe and comply with all covenants, terms, and provisions, express or implied, contained in the agreements, leases, easements and all other contracts appertaining to Assignor's interest in the Assigned Premises subject to this Assignment and Bill of Sale; and this Assignment and Bill of Sale is made expressly subject to all such agreements, leases, easements and other contracts, whether or not the same are herein specifically identified.

9. Broker's Fees. Assignor and Assignee warrant that neither has incurred any liability, contingent or otherwise, for brokers' or finders' fees relating to this agreement for which the other shall have responsibility. All fees, costs, and expenses incurred by Assignor or Assignee relating to this agreement shall be paid by the party incurring same. All recording and transfer fees shall be paid by Assignee.

10. Effective Date. This agreement shall be effective as of 7:00 A.M. on the 1st day of September, 1996.

11. This agreement constitutes the entire understanding between Assignor and Assignee with regard to the subject matter hereof, superseding all prior statements, representations, discussions, agreements and understandings.

12. Waiver Of Consumer Rights. **ASSIGNEE HEREBY WAIVES ITS RIGHTS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 et seq., TEXAS BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF ASSIGNEE'S OWN SELECTION, ASSIGNEE VOLUNTARARILY CONSENTS TO THIS WAIVER.**

13. Conspicuousness/Express Negligence. **THE DEFENSE, INDEMNIFICATION, HOLD HARMLESS AND ASSUMPTION PROVISIONS PROVIDED FOR IN THIS AGREEMENT SHALL BE APPLICABLE WHETHER OR NOT THE LOSSES, COSTS, EXPENSES, LIABILITIES OR DAMAGES IN QUESTION AROSE SOLELY OR IN PART FROM THE GROSS, ACTIVE, PASSIVE OR CONCURRENT NEGLIGENCE, OR OTHER FAULT OF ANY INDEMNIFIED PARTY. ASSIGNOR AND ASSIGNEE ACKNOWLEDGE THAT THIS STATEMENT COMPLIES WITH THE EXPRESS NEGLIGENCE RULE AND IS CONSPICUOUS.**

14. **Successors and Assigns**. The terms hereof shall inure to and be binding upon the respective heirs, successors and assigns of Assignor and Assignee.

EXECUTED the day and year first above written, but effective as of the date shown in Paragraph 10 hereof.

ASSIGNOR:
CHEVRON U.S.A. INC.

By: _____
Attorney-in-Fact

ASSIGNEE:
ENRON OIL & GAS COMPANY

By: _____
Title: Andrew C. Morris, Agent and Attorney-in-Fact

STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared W. M. Sellers, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney in Fact of Chevron U.S.A. Inc., and acknowledged to me that he executed the same for the purpose and consideration therein expressed as the act and deed of said Chevron U.S.A. Inc. _____.

Given under my hand and seal of office this 21st day of October, 1996.

BRENDA KAY BARNARD
Notary Public, State of Texas
My Commission Expires
MARCH 13, 1999

Brenda Kay Barnard
Notary Public

STATE OF COLORADO
COUNTY OF DENVER

Before me, the undersigned authority, on this day personally appeared Andrew C. Morris, known to me to be the person whose name is subscribed to the foregoing instrument as Agent and Attorney-in-Fact of Enron Oil & Gas Company, and acknowledged to me that he executed the same for the purpose and consideration therein expressed as the act and deed of said Enron Oil & Gas Company.

Given under my hand and seal of office this 17th day of October, 1996.

Betty A. Herrold
Betty A. Herrold
1625 Broadway, Ste. 1300, Denver, CO
Notary Public

My Commission Expires: 7/26/98

245

CORRECTED

EXHIBIT "A"

Attached to and made part of that certain Wellbore Assignment And Bill Of Sale dated effective September 1, 1996, between Chevron U.S.A. Inc. as Assignor and Enron Oil & Gas Company as Assignee

Big Piney Mesaverde Unit Area
Sublette County, Wyoming

All of Assignor's right, title and interest in and to the Mesaverde Oil and Gas Battery #10, located in Sec. 35, T29N-R113W, and the existing wellbores, only, of the following wells from the surface to total depth:

WELL NAME	DESCRIPTION
Big Piney Mesaverde #1-83	Sec. 14, T29N-R113W
Big Piney Mesaverde #1-84	Sec. 23, T29N-R113W
Big Piney Mesaverde #10-1	Sec. 25, T29N-R113W
Big Piney Mesaverde #13-49	Sec. 25, T29N-R113W
Big Piney Mesaverde #13-86	Sec. 25, T29N-R113W
Big Piney Mesaverde #13-1	Sec. 25, T29N-R113W
Big Piney Mesaverde #6-41	Sec. 26, T29N-R113W
Big Piney Mesaverde #15-7	Sec. 36, T29N-R113W
Big Piney Mesaverde #15-35	Sec. 36, T29N-R113W
Big Piney Mesaverde #15-16	Sec. 36, T29N-R113W
Big Piney Mesaverde #15-33	Sec. 36, T29N-R113W
Big Piney Mesaverde #15-18	Sec. 36, T29N-R113W
Big Piney Mesaverde #15-22	Sec. 36, T29N-R113W
Big Piney Mesaverde #15-13	Sec. 36, T29N-R113W
Big Piney Mesaverde #8-26	~~Sec. 3, T29N-R113W~~ Sec. 3, T28N-R113W
Big Piney Mesaverde #8-35	~~Sec. 3, T29N-R113W~~ Sec. 3, T28N-R113W
Big Piney Mesaverde #14-75	~~Sec. 3, T29N-R113W~~ Sec. 3, T28N-R113W
Big Piney Mesaverde #14-51	~~Sec. 3, T29N-R113W~~ Sec. 3, T28N-R113W

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned Ann M. Trujillo, P.O. Box 1252, Cheyenne, WY 82003 hereinafter called ASSIGNOR, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto:

SEE THE ATTACHED EXHIBIT "A"

hereinafter called ASSIGNEE, his heirs and assigns, an overriding royalty of an undivided SEE THE ATTACHED EXHIBIT "A" of all oil, gas and other minerals produced, saved and sold under the terms of the oil and gas leases more particularly set forth and described on Exhibit "B" attached hereto and made a part hereof.

A. 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 above described oil and gas lease.

B. 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 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 benefitting said lands.

C. This assignment of overriding royalty is made wi hout warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 6th day of August, 19 97.

Ann M. Trujillo

STATE OF)
COUNTY OF) ss:

The foregoing instrumcnt was acknowleged before me this 6 day of August, 19 97, by Ann M. Trujillo.

Witness my hand and notarial seal.

KATHERINE E. GOODWIN NOTARY PUBLIC
COUNTY OF LARAMIE STATE OF WYOMING
MY COMMISSION EXPIRES JAN. 24, 1999

246 Katherine E. Goodwin
Notary Public

My Commission Expires: Jan. 24, 1999

263398

RECORDED Sept. 12, 1997 8:40a
BOOK 105 O&G 246
FEES 12.00
CAMPBELL COUNTY, PINEDALE WYOMING
By Cathy Scaten

Merin

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated January 3rd, 1997.

1.	McLish Resources L. P. McLish Petroleum Company, General Partner 633 17th St. #1910 Denver, CO 80202	18.1666% of 5.0% of 8/8ths
2.	Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	12.1113% of 5.0% of 8/8ths
3.	Elliott A. Riggs Trust Elliott A. Riggs, Trustee P.O. Box 711 Farmington, NM 87499	18.1666% of 5.0% of 8/8ths
4.	W. Clifton Arbuckle Trust W. Clifton Arbuckle, Trustee 633 17th St. #1910 Denver, CO 80202	6.0555% of 5.0% of 8/8ths
5.	WILLOCO, LLC 1775 Sherman St. #1955 Denver, CO 80203	45.5% of 5.0% of 8/8ths

Merna [redacted] [redacted] [redacted]

EXHIBIT "B"

Sublette County, WY

Attached to and made a part of that certain Assignment of Overriding Royalty dated January 3rd, 1997.

Lessor: USA, WYW-136841
Lessee: Ann M. Trujillo
Date: 7-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 112 West, 6th P.M.
Section 19: Lots 1-4
Section 20: N½, W½SW¼
Section 21: S½
Section 28: All
Section 29: SE¼NE¼, W½NW¼, SE¼NW¼, SW¼, E½SE¼
Section 30: Lots 1-4

Total Acres: 2,078.68

Lessor: USA, WYW-136842
Lessee: Ann M. Trujillo
Date: 7-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 112 West, 6th P.M.
Section 22: W½SW¼

Total Acres: 80

Lessor: USA, WYW-136843
Lessee: Ann M. Trujillo
Date: 7-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 112 West, 6th P.M.
Section 27: SW¼NE¼, W½NW¼, SE¼NW¼, SW¼, W½SE¼, SE¼SE¼
Section 31: Lots 1-4
Section 32: E½, E½W½
Section 33: All
Section 34: All

Total Acres: 2,359.76

Lessor: St. Wyo. 95-00123
Lessee: Ann M. Trujillo
Date: 4-2-95
Primary Term: 5 years
Royalty: 16.6667%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 35 North, Range 112 West, 6th P.M.
Section: 16: All

Total Acres: 640

Lessor: USA, WYW-136344
Lessee: Ann M. Trujillo
Date: 5-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 35 North, Range 112 West, 6th P.M.
Section 2: Lot 2
Section 10: SW¼NE¼, W½NW¼, SE¼NW¼, S½
Section 11: N½N½, W½SW¼, SE¼SW¼, SW¼SE¼
Section 12: E½NW¼, NW¼SE¼
Section 14: NW¼NW¼
Section 15: N½N½

Total Acres: 1,159.99

Lessor: St. Wyo. 95-00126
Lessee: Ann M. Trujillo
Date: 4-2-95
Primary Term: 5 years
Royalty: 16.667%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 112 West, 6th P.M.
Section 16: All

Total Acres: 640

Lessor: USA, WYW-136837
Lessee: Ann M. Trujillo
Date: 7-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 112 West, 6th P.M.
Section 5: Lots 1-4, S½N½, S½
Section 6: Lots 1-7, S½NE¼, SE¼NW¼, E½SW¼, SE¼
Section 8: S½
Section 9: SW¼

Total Acres: 1,754.37

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned Ann M. Trujillo, P.O. Box 1252, Cheyenne, WY 82003, hereinafter called ASSIGNOR, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto:

SEE THE ATTACHED EXHIBIT "A"

hereinafter called ASSIGNEE, his heirs and assigns, an overriding royalty of an undivided SEE THE ATTACHED EXHIBIT "A" of all oil, gas and other minerals produced, saved and sold under the terms of the oil and gas leases more particularly set forth and described on Exhibit "B" attached hereto and made a part hereof.

A. 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 above described oil and gas lease.

B. 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 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 benefitting said lands.

C. This assignment of overriding royalty is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 6th day of August, 19 97.

Ann M. Trujillo
Ann M. Trujillo

STATE OF)
COUNTY OF) ss:

The foregoing instrument was acknowleged before me this 6th day of August, 19 97, by Ann M. Trujillo.

Witness my hand and notarial seal.

KATHERINE E. GODBOUT-NOTARY PUBLIC
COUNTY OF SWEETWATER
STATE OF WYOMING
MY COMMISSION EXPIRES JAN. 24, 1999

Katherine E. Godbout
Notary Public

My Commission Expires: Jan. 24, 1999

263395

RECORDED Sept 12 19 97 8:40 A
BOOK 105 Otc P. 250
FEE $ 10.00
SWEETWATER COUNTY, PINEDALE WYOMING
By Cathy Sorton

Merna

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated January 6th, 1997.

1.	McLish Resources L. P. McLish Petroleum Company, General Partner 633 17th St. #1910 Denver, CO 80202	33.33% of 5.0% of 8/8ths
2.	Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	22.227% of 5.0% of 8/8ths
3.	Elliott A. Riggs Trust Elliott A. Riggs, Trustee P.O. Box 711 Farmington, NM 87499	33.33% of 5.0% of 8/8ths
4.	W. Clifton Arbuckle Trust W. Clifton Arbuckle, Trustee 633 17th St. #1910 Denver, CO 80202	11.113% of 5.0% of 8/8ths

[redacted] [redacted] [redacted]

EXHIBIT "B"

Sublette County, WY

Lessor:	St. Wyo. 95-00125
Lessee:	Ann M. Trujillo
Date:	4-2-95
Primary Term:	5 years
Royalty:	16.6667%
Overriding Royalty:	None
Mineral Interest:	100%
Recording Data:	
Description:	Township 35 North, Range 112 West, 6th P.M. Section 36: All

Total Acres: 640
Farmors Net Acres: 256

Lessor:	St. Wyo. 95-00124
Lessee:	Ann M. Trujillo
Date:	4-2-95
Primary Term:	5 years
Royalty:	16.6667%
Overriding Royalty:	None
Mineral Interest:	100%
Recording Data:	
Description:	Township 35 North, Range 112 West, 6th P.M. Section 31: SE¼NE¼, E½SW¼, SE¼, Lots 3, 4 Section 32: SW¼NW¼, W½SW¼

Total Acres: 476.97
Farmors Net Acres: 190.79

252

252

East Merna

253

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned Ann M. Trujillo, P.O. Box 1252, Cheyenne, WY 82003 hereinafter called ASSIGNOR, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto:

SEE THE ATTACHED EXHIBIT "A"

hereinafter called ASSIGNEE, his heirs and assigns, an overriding royalty of an undivided SEE THE ATTACHED EXHIBIT "A" of all oil, gas and other minerals produced, saved and sold under the terms of the oil and gas leases more particularly set forth and described on Exhibit "B" attached hereto and made a part hereof.

A. 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 above described oil and gas lease.

B. 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 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 benefitting said lands.

C. This assignment of overriding royalty is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 6th day of August, 1997.

Ann M. Trujillo

STATE OF)
) ss:
COUNTY OF)

The foregoing instrument was acknowleged before me this 6 day of August, 1997, by Ann M. Trujillo

Witness my hand and notarial seal.

Katherine E. Galbreath
Notary Public

My Commission Expires: Jan. 24, 1999

263400

RECORDED Sept 12, 1997 8:40A
BOOK 105 Pg 6 253
$ 12.00
COUNTY, PINEDALE WY

By Cathy Saxton

[redacted] [redacted] [redacted]

EXHIBIT "A"

1.	McLish Resources L. P. McLish Petroleum Company, General Partner 633 17th St. #1910 Denver, CO 80202	18.1666% of 5.0% of 8/8ths
2.	Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	12.1113% of 5.0% of 8/8ths
3.	Elliott A. Riggs Trust Elliott A. Riggs, Trustee P.O. Box 711 Farmington, NM 87499	18.1666% of 5.0% of 8/8ths
4.	W. Clifton Arbuckle Trust W. Clifton Arbuckle, Trustee 633 17th St. #1910 Denver, CO 80202	6.0555% of 5.0% of 8/8ths
5.	WILLOCO, LLC 1775 Sherman St. #1955 Denver, CO 80203	45.5% of 5.0% of 8/8ths

254

254

EXHIBIT "B"

Sublette County, WY

Lessor: USA, WYW-135830
Lessee: Ann M. Trujillo
Date: 4-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description: Township 36 North, Range 111 West, 6th P.M.
Section 30: Lots 3, 4, E½, SE¼NW¼, E½SW¼
Section 34: All
Section 35: All

Total Acres: 1,792.11

Lessor: USA, WYW-135829
Lessee: Ann M. Trujillo
Date: 4-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description: Township 36 North, Range 111 West, 6th P.M.
Section 26: All
Section 27: All

Total Acres: 1,280

Lessor: USA, WYW-135828
Lessee: Ann M. Trujillo
Date: 4-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description: Township 36 North, Range 111 West, 6th P.M.
Section 6: Lots 1-7,. S½NE¼, SE¼NW¼, E½SW¼, SE¼
Section 7: Lots 1-4, E½, E½W½
Section 18: Lots 1-4, E½, E½W½
Section 19: Lots 1-4, E½E½, NW¼NE¼, E½NW¼, NE¼SW¼
Section 31: E½E½

Total Acres: 2,476.75

Lessor: St. Wyo. 95-00120
Lessee: Ann M. Trujillo
Date: 4-2-95
Primary Term: 5 years
Royalty: 16.6667%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description: Township 36 North, Range 111 West, 6th P.M.
Section 16: All

Total Acres: 640

Lessor: St. Wyo. 95-00122
Lessee: Ann M. Trujillo
Date: 4-2-95
Primary Term: 5 years
Royalty: 16.6667%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description: Township 37 North, Range 111 West, 6th P.M.
Section 36: All

[redacted] [redacted] Total Acres: 640 [redacted]

Lessor: USA, W-135394
Lessee: Ann M. Trujillo
Date: 9-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 111 West, 6th P.M.
Section 1: Lots 1-4, S½N½, S½
Section 2: Lots 1, 2, SE¼NE¼, NW¼SW¼, NE¼SE¼, S½S½
Section 3: Lots 2, 3, 4, SW¼NE¼, S½NW¼, S½
Section 11: All
Section 12: All
Section 13: All
Section 23: All
Section 24: All
Section 25: All

Total Acres: 5,344.88

Lessor: USA, W-135263
Lessee: Ann M. Trujillo
Date: 3-1-95
Primary Term: 10 years
Royalty: 12.5%
Overriding Royalty: None
Mineral Interest: 100%
Recording Data:
Description:

Township 36 North, Range 111 West, 6th P.M.
Section 8: All
Section 17: All
Section 20: All
Section 21: All

Total Acres: 2,560

257

Form 3106-11
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OFFER TO LEASE AND LEASE FOR OIL AND GAS

20030[illegible]

Serial No.
WYW-113417

WY 36432 210
145053-00

The undersigned (reverse) offers to lease all or any of the lands in Item 3 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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
Street
City, State, Zip Code

Shama Kafar Limited Partnership: by Gilman A. Hill, General Partner
7955 E. Arapahoe Court; Suite #3500
Englewood, Colorado 80112

2. This application/offer/lease is for: (Check only One) [X] PUBLIC DOMAIN LANDS [ ] ACQUIRED LANDS (percent U.S. interest ____)
Surface managing agency if other than BLM: _____ Unit/Project _____
Legal description of land requested:
*Parcel No.: 8808-857 *Sale Date (mo/dy/yr): 08/16/88
*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. 32N R. 110W Meridian 6th State Wyo. County Sublette

Sect. 2,	Lots 1, 2, 3, 4,	S½S½
Sect. 3,	Lots 1, 2, 3, 4,	S½S½
Sect. 4,	Lots 1, 2,	S½SE¼
Sect.11,		E½NE¼

Amount remitted: Filing fee $ 75.00 Rental fee $ 1338.00 Total acres applying for 891.26
Total $ 1413.00

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

SEE ATTACHED 263429

11:05a
RECORDED Sept. 15 1997 M
IN BOOK 105 046 PAGE 257
FEES $ 18.00 M COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

Total acres in lease _____
Rental received $ _____

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

[X] Noncompetitive lease (ten years)

[ ] Competitive lease (five years)

[ ] Other _____

(Continued on reverse)

THE UNITED STATES OF AMERICA

By _____
ANDREW L. TARSHIS (Issuing Officer)
CHIEF, LEASING SECTION
SEP 20 1988 (Date)

EFFECTIVE DATE OF LEASE OCT 1 1988

FOR LESSEE

Year

INSTRUCTIONS

Year

A. General

1. The front of this form is to be completed only by parties filing for a noncompetitive lease. The BLM will complete front of form for all other types of leases.

2. Entries must be typed or printed plainly in ink. Offeror must sign Item 4 in ink.

3. An original and two copies of this offer must be prepared and filed in the proper BLM State Office. See regulations at 43 CFR 1821.2-1 for office locations.

4. If more space is needed, additional sheets must be attached to each copy of the form submitted.

B. Special:

Item 1—Enter offeror's name and billing address.

Item 2—Identify the mineral status and, if acquired lands, percentage of Federal ownership of applied for minerals. Indicate the agency controlling the surface of the land and the name of the unit or project which the land is a part. The same offer may not include both Public Domain and acquired lands. Offers must be filed for each separate unit area. Offers for lands within a unit area must be filed after the unit is approved. Offers for lands within a known geological structure of a producing oil or gas field must be filed after the lands are subject to competitive leasing. Offers for lands within a wildcat or extension of an existing field must be filed after the first well capable of production in paying quantities is completed within 10 miles of the land. Offers for lands within a special tar sand area must be filed after the land is designated as subject to competitive leasing. Offers for lands within any other area must be filed after the land has been available for leasing for at least 1 year. Offers filed for lands not available for leasing will be rejected. Offers must be for all available lands in a quarter-quarter section. Offers must describe the land by legal subdivision in accordance with the official records of the proper BLM office. Offers for lands described by metes and bounds will be rejected. Offers for more than 2,560 acres in one State will be rejected. Offers must be manually signed and dated by the offeror (or agent) with the understanding that the date of signature will be used for simultaneous filing purposes (unless a different time is specified by the authorized officer). Offers must be accompanied by a nonrefundable filing fee of $75 for each lease offered and the first year's rental as specified in the regulations (43 CFR 3120). Payment may be made by check or bank draft payable to the Department of the Interior—Bureau of Land Management. Offers which are not accompanied by the required payment will be rejected. If the first year's rental is not sufficient, the offeror will be allowed 15 days from notice to submit the balance. Failure to submit the balance will result in rejection of the offer and forfeiture of the first payment received.

Item 3—Enter land description; indicate total acreage applied for.

Item 4—Must be signed by offeror or agent. Offeror's statement of interest must be completed if signed by agent.

Item 5—Enter amount remitted with offer.

Item 6—Enter total acreage applied for.

Item 7—Enter total amount remitted with offer.

C. Publication: Pursuant to 43 CFR 3112.4, all offers to lease for oil and gas will be posted for a period of 10 days prior to issuance of any lease. Any person may protest the issuance of a lease for any reason within 10 days after the posting period. The BLM will not issue a lease for at least 30 days after receipt of all required payments and rentals.

D. Withdrawal: An offer may be withdrawn either in whole or in part at any time before a lease is issued. The offeror must submit a written request for withdrawal to the proper BLM office. Withdrawal is effective upon receipt in the proper office. The first year's rental will be returned for withdrawn offers.

E. Rejection: Offers will be rejected if received after the effective date of the lease. Offers will be rejected if the land is not available for leasing at the time the offer is filed. Offers will be rejected if the offeror has failed to file any lease or interest in a lease held by the offeror within 30 days after a request by the authorized officer. Offers will be rejected if the offeror has failed to exercise due diligence on a lease held by the offeror. Offers will be rejected if the offeror has any unpaid debts owed to the Federal Government. Offers will be rejected if the offeror is not in compliance with the reclamation requirements of all applicable Federal laws, regulations, and formal orders in effect as of the date the offer is filed. Offers will be rejected if the offeror is not qualified to hold a lease or interest in a lease. Offers will be rejected if the offer was not filed in the proper BLM office. Offers will be rejected if the offer is not accompanied by the first year's rental. Offers will be rejected if the offer is not accompanied by the filing fee. Offers will be rejected if the offer is not accompanied by a nonrefundable filing fee of $75 for each lease offered. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the filing fee. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental and the first year's rental. Offers will be rejected if the offer is not accompanied by a payment sufficient to cover the first year's rental and the filing fee and the first year's rental

[redacted] CTION ACT STATEMENT [redacted] [redacted]

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

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 lease activity.

3. Response to this request is required to obtain a benefit.

NOTICE

The Privacy Act of 1974 and the regulations in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas lease offer.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359

PRINCIPAL PURPOSE—The information is to be used to process oil and gas offers and leases.

ROUTINE USES:

(1) The adjudication of the lessee'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 consent or 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 offer may be rejected. See regulations at 43 CFR 3100.

---

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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this 16 day of August, 19 88.

[redacted]
(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) Noncompetitive lease, $1.50 for the first 5 years, thereafter $2.00;
(b) Competitive lease, $1.50, for primary term; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A Bond shall be filed and maintained for lease operations as 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 conservation. 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-way. 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 of 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 obligations 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

259

WYW-113417

T. 32 N., R. 110 W., 6th PM, WY
sec. 2, lots 1, 2, 3, 4, S½S½;
3, lots 1, 2, 3, 4, S½S½;
4, lots 1, 2, S½SE¼;
11, E½NE¼.

Sublette County

891.26 Acres

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 threshold 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.

261

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.

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, 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.

[redacted] [redacted] [redacted]

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.

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WY-857

WYW-113417

3. SPECIAL RESOURCE PROTECTION STIPULATION

f. In order to protect occupied dwellings, the District Manager reserves the right to prohibit surface disturbance within ¼ mile of the dwellings where they occur on the lease. This limitation does not apply to operation and maintenance of producing wells. Modifications to this limitation may be approved in writing by the Authorized Officer.

GUIDANCE:

The SPECIAL RESOURCE PROTECTION STIPULATION is intended for use only in the few very specialized, site-specific situations where one of the other three general stipulations will not adequately address the concern. The resource value, location, and specific restriction must be clearly identified. A detailed plan addressing mitigation and special restrictions on development will be required prior to development and will become a condition for approval in the Application for Permit to Drill or Sundry Notice.

Form 3100-11
(June 1988)

[redacted]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT [redacted]

OFFER TO LEASE AND LEASE FOR OIL AND GAS 20037

Serial No. [redacted]15052

WYW-113418

The undersigned hereby offers to lease all or any of the lands in Item 3 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: Shama Kafar Limited Partnership: by Gilman A. Hill, General Partner
   Street: 7955 E. Arapahoe Court; Suite #3500
   City, State, Zip Code: Englewood, Colorado 80112

2. This application/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: *Parcel No.: 8808-860 *Sale Date (mo/dy): 08/16/88
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. 33N R. 110W Meridian 6th State Wyo. County Sublette

   Sect. 22, E½E½, NW¼NE¼
   Sect. 26, All
   Sect. 27, E½E½
   Sect. 34, E½NE¼, NE¼SE¼
   Sect. 35, All

Amount remitted: Filing fee $ 75.00 Rental fee $ 2640.00 Total acres applied for 1760.00
Total $ 2715.00

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

263430

SEE ATTACHED

11:05A
RECORDED Sept. 15 1997 M
IN BOOK 105 Pct 6 PAGE 264
FEES $20.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

Total acres in lease _____
Rental remitted $ _____

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

X Noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____
(Signing Officer)

CHIEF, LEASING SECTION SEP 20 1988
(Title) (Date)

EFFECTIVE DATE OF LEASE OCT 1 1988

(Continued on reverse)

FOR LESSEE

Tear

INSTRUCTIONS

Tear

A. General

1. The front of this form is to be completed only by parties filing for a noncompetitive lease. The BLM will complete front of form for all other types of leases.

2. Entries must be typed or printed plainly in ink. Offeror must sign Item 4 in ink.

3. An original and two copies of this offer must be prepared and filed in the proper BLM State Office. See regulations at 43 CFR 1821.2-1 for office locations.

4. If more space is needed, additional sheets must be attached to each copy of the form submitted.

B. Special:

264

Item 1—Enter offeror's name and billing address.

Item 2—Identify the mineral status and, if acquired lands, percentage of Federal ownership of applied for minerals. Indicate the agency controlling the surface of the land and the name of the unit or project which the land is a part. The same offer may not include both Public

Item 3—Land will be described in accordance with the official records of the Bureau of Land Management in establishing title for minerals. The description of land must conform to 43 CFR 3110. A single parcel number and Sale Date shall be the only acceptable description during the period from the first day following the end of a competitive process until the end of that same month, using the parcel number on the List of Lands Available for Competitive Nominations or the Notice of Competitive Lease Sale, whichever is appropriate.

Payments: The amount remitted must include the filing fee and the first year's rental at the rate of $1.50 per acre or fraction thereof. The full rental based on the total acreage applied for must accompany an offer even if the mineral interest of the United States is less than 100 percent. The filing fee will be returned as a service charge even if the offer is completely rejected or withdrawn. To protect priority, it is important that the rental submitted be sufficient to cover all the land requested. If the land requested includes lots or irregular quarter-quarter sections, the exact area of which is not known to the offeror, rental should be submitted on the basis of each such lot or quarter-quarter section containing 40 acres. If the offer is withdrawn or rejected in whole or in part before a lease issues, the rental remitted for the parts withdrawn or rejected will be returned.

Item 4—This space will be completed by the United States

PAPERWORK REDUCTION ACT STATEMENT

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

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 lease activity.

3. Response to that request is required to obtain a benefit.

NOTICE

The Privacy Act of 1974 and the regulations in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas lease offer.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359

PRINCIPAL PURPOSE—The information is to be used to process oil and gas offers and leases.

ROUTINE USES:

(1) The adjudication of the lessee'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 consent or 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 offer may be rejected. See regulations at 43 CFR 3100.

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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this 16 day of August, 19 88. Gilman A. Hill

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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:

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(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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.

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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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

WYW-113418

T. 33 N., R. 110 W., 6th PM, WY
sec. 22, E½E½, NW¼NE¼;
26, all;
27, E½E½;
34, E½NE¼, NE¼SE¼;
35, all.

Sublette County

1760.00 Acres

113418

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 threshold 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.

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.

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, 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.

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, 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.

WY-860

WYW-113418

3. SPECIAL RESOURCE PROTECTION STIPULATION

a. In order to protect Tyler Draw Boat Launch Site, the District Manager reserves the right to prohibit surface disturbance within ¼ mile of the launch in sec. 15, SW¼SE¼. This limitation does not apply to operation and maintenance of producing wells. Modifications to this limitation may be approved in writing by the Authorized Officer.

GUIDANCE:

The SPECIAL RESOURCE PROTECTION STIPULATION is intended for use only in the few very specialized, site-specific situations where one of the other three general stipulations will not adequately address the concern. The resource value, location, and specific restriction must be clearly identified. A detailed plan addressing mitigation and special restrictions on development will be required prior to development and will become a condition for approval in the Application for Permit to Drill or Sundry Notice.

WY-860

WYW-113418

3. SPECIAL RESOURCE PROTECTION STIPULATION

f. In order to protect occupied dwellings, the District Manager reserves the right to prohibit surface disturbance within ¼ mile of the dwellings where they occur on the lease. This limitation does not apply to operation and maintenance of producing wells. Modifications to this limitation may be approved in writing by the Authorized Officer.

GUIDANCE:

The SPECIAL RESOURCE PROTECTION STIPULATION is intended for use only in the few very specialized, site-specific situations where one of the other three general stipulations will not adequately address the concern. The resource value, location, and specific restriction must be clearly identified. A detailed plan addressing mitigation and special restrictions on development will be required prior to development and will become a condition for approval in the Application for Permit to Drill or Sundry Notice.

Assignment of Overriding Royalty Affecting Oil and Gas Lease #USA Wyoming 020123

We, Charles L. Smith and Helen Virginia Smith, of Casper, Natrona County, Wyoming, ("Assignors"), for and in consideration of the sum of TEN DOLLARS ($10.00) and OTHER GOOD AND VALUABLE CONSIDERATION, in hand paid, the receipt and sufficiency of which is hereby acknowledged, hereby assign, transfer and convey to:

Charles L. Smith and Helen Virginia Smith, Trustees, or their successors in trust, under the Smith Living Trust, dated June 27, 1997, and any amendments thereto,

herein referred to as ("Assignee") all of our right, title and interest in and to the 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, for the following real property, to-wit:

Township 27 N., Range 112 W., 6th P.M., Sublette County, Wyoming:

Sec. 6: All
Sec. 8: W½
Sec. 17: W½NW¼, SE¼NW¼, SW¼
Sec. 20: NW¼, N½SW¼, SW¼SW¼, Lot 6

1520.60 acres, more or less.

Dated this 27th day of August, 1997.

Charles L. Smith, Assignor

Witness

Helen Virginia Smith, Assignor

Witness

263475

Sept. 17, 1997 9:00AM
IN BOOK 105D+G PAGE 272
8.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

STATE OF WYOMING)
)ss.
COUNTY OF NATRONA)

On this 4th day of October, 1997, before me personally appeared **Charles L. Smith and Helen Virginia Smith, as Assignors, known to me to be the** persons described in and who executed the foregoing Assignment, and acknowledged that they executed the same as their free act and deed and acknowledged executing the same for the purposes and consideration herein contained.

Witness my hand and official seal.

Gail Ingledew
Notary Public

My commission expires:

GAIL INGLEDEW - NOTARY PUBLIC
COUNTY OF NATRONA
STATE OF WYOMING
My Commission Expires December 13, 1998

Assignment of Overriding Royalty Affecting Oil and Gas Lease #USA Wyoming 020123A

We, Charles L. Smith and Helen Virginia Smith, of Casper, Natrona County, Wyoming, ("Assignors"), for and in consideration of the sum of TEN DOLLARS ($10.00) and OTHER GOOD AND VALUABLE CONSIDERATION, in hand paid, the receipt and sufficiency of which is hereby acknowledged, hereby assign, transfer and convey to:

> Charles L. Smith and Helen Virginia Smith, Trustees, or their successors in trust, under the Smith Living Trust, dated June 27, 1997, and any amendments thereto,

herein referred to as ("Assignee") all of our right, title and interest in and to the 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, for the following real property, to-wit:

Township 27 N., Range 112 W., 6th P.M., Sublette County, Wyoming:

Sec. 4: SW¼SW¼
Sec. 5: Lot 4, S½NW¼, SW¼, W½SE¼, SE¼SE¼
Sec. 8: W½NE¼, SE¼
Sec. 9: SW¼SW¼
Sec. 17: SE¼, SW¼NE
Sec. 20: W½NE¼

999.78 acres

Dated this 25th day of August, 1997.

Charles L. Smith, Assignor

Witness

Helen Virginia Smith, Assignor

Witness

263476

Sept. 17, 1997 9:00AM
1050+6 PAGE 274
8804
SUBLETTE COUNTY, PINEDALE WY
By Cathy Soosten

STATE OF WYOMING)
)ss.
COUNTY OF NATRONA)

On this 25th day of August, 1997, before me personally appeared Charles L. Smith and Helen Virginia Smith, as Assignors, known to me to be the persons described in and who executed the foregoing Assignment, and acknowledged that they executed the same as their free act and deed and acknowledged executing the same for the purposes and consideration herein contained.

Witness my hand and official seal.

Gail Ingledew
Notary Public

My commission expires:

GAIL INGLEDEW - NOTARY PUBLIC
COUNTY OF NATRONA
STATE OF WYOMING
My Commission Expires December 13, 1998

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: THAT the undersigned, **Stanley Energy W., Inc.**, of 1776 Lincoln Street, Suite 410, Denver, Colorado 80203 (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 are hereby confessed and acknowledged, does hereby convey, transfer, assign and set over unto **High Plains Associates, Inc.** of 1557 Ogden Street, Suite 300, Denver, Colorado 80218 (hereinafter referred to as "Assignee"), an overriding royalty interest, free and clear of all cost and expense of development, operation and marketing, equal to **0.25% of 40% of 8/8ths**. Said overriding royalty interest shall pertain to all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases and lands described on Exhibit "A", insofar as said leases cover the described lands in Sublette County, Wyoming.

It is the intent that this overriding royalty interest shall be assigned out of the overriding royalty interest that Assignor currently has in the oil and gas leases descibed on Exhibit "A" and shall not create any additional overriding royalty interest on such leases.

Assignor agrees to execute and deliver such other and additional instruments, notices, transfer orders, and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to Assignees the rights, interests and properties conveyed or intended to be conveyed hereby.

TO HAVE AND TO HOLD the interest herein transferred and assigned unto Assignees, with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignees herein, their heirs, successors, personal representatives, administrators, executors, and assigns forever.

EXECUTED and EFFECTIVE this 21st day of August, 1997.

STANLEY ENERGY W., INC.

By: _____
Stephanie Bernard
Assistant Secretary

By: _____
Lewis W. Douglas, Jr.
President

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 21st day of August 1997, before me personally appeared Lewis W. Douglas, Jr., to me personally known, who, being by me duly sworn, did say that he is the President of Stanley Energy W., Inc. and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was executed and sealed in behalf of said corporation by authority of its Board of Directors, and said Lewis W. Douglas, Jr. acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 21st day of August, 1997.

_____
Notary Public

My commission expires: 4-19-99

263496

RECORDED Sept. 18, 1997 10:35A
Book 105 of Misc. Page 276
Fee $10.00 Mary L. Lee County Clerk
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Easton

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated August 21, 1997, from Stanley Energy W., Inc., as Assignor, to High Plains Associates, Inc. as Assignee

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97279 Bureau of Land Management	Winston L. Thornton	Township 28 North, Range 109 West, 6th P.M. Section 5: Lots 1-4, S2 Section 6: Lots 1-6, E2SW4, SE4 Section 7: Lots 1-4, E2, E2W2 Section 8: All Section 17: All Section 18: Lots 1-4, E2, E2W2 Section 19: Lots 1-4, NE4, E2W2, N2SE4 Section 20: N2, N2SW4, SE4 Section 22: All Section 26: All Section 27: All Section 30: Lots 1-4, E2W2, S2SE4 Section 32: All Section 33: All Section 34: All Section 35: All Containing 9,097.49 acres more or less	1/1/1986	N/A	N/A

877

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest dated June 1, 1997, from Stanley Energy W., Inc., as Assignor, to Stanley Energy W., Inc. etals, as Assignees

SUBLETTE COUNTY, WYOMING

LESSOR	LESSEE	DESCRIPTION	EFFECTIVE DATE	BOOK	PAGE
U.S.A. W-97281 Bureau of Land Management	Mary Ellen Lloyd	Township 29 North, Range 109 West, 6th P.M. Section 29: All Section 30: Lots 1-4, E2W2, E2 Section 31: Lots 1-4, E2W2, E2 Section 32: All Section 33: All Containing 3,207.13 acres more or less	1/1/1986	N/A	N/A

278

END OF EXHIBIT "A"

279

SUBLETTE WY

FULL RELEASE

OF NET PROFITS OVERRIDING ROYALTY INTERESTS

THIS FULL RELEASE OF NET PROFITS OVERRIDING ROYALTY INTERESTS (this "Release") is effective as of 7:00 a.m. at the location of the Properties (defined below) on January 1, 1997 (the "Effective Date") and is from Kodak Retirement Income Plan Title Holding Company, Inc., a Delaware corporation, having offices at 343 State Street, Rochester, New York 14650 ("**KRIP**"), acting at the direction of First Reserve Corporation, a Delaware corporation, in its capacity as the qualified professional asset manager of KRIP, to and for the benefit of UMC Petroleum Corporation, a Delaware corporation, with offices at 410 - 17th Street, Suite 1400, Denver, Colorado 80202 ("**UMC**").

RECITAL

KRIP is the owner of certain net profits overriding royalty interests (the "Net Profits Interests") burdening certain oil and gas and other mineral leases, lands and other interests (the "Properties") pursuant to those certain Conveyances of Net Profits Overriding Royalty Interests described in Annex I hereto (collectively, the "Conveyances").

RELEASE

In consideration of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, KRIP hereby RELEASES, EXTINGUISHES AND CONVEYS for the benefit of UMC and its successors and assigns all of KRIP's right, title and interest in and to the Net Profits Interests, insofar and only insofar as such interest cover Subject Hydrocarbons (as defined in the Conveyances) produced from the Properties from and after the Effective Date.

The Conveyances described on Annex I hereto include all of the instruments by which KRIP acquired the Net Profits Interests in accordance with (i) that certain Acquisition Agreement dated as of April 28, 1993 by and between General Atlantic Resources, Inc., a Delaware corporation, and First Reserve Corporation on behalf of Kodak Retirement Income Plan, and (ii) that certain Amended Acquisition Agreement dated effective April 1, 1994 between the same parties. Partial releases of the Net Profits Interests with respect to some of the Properties have previously been granted by KRIP for the benefit of third parties. This Release shall not cover those Net Profits Interests which were previously released by KRIP.

This Release shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Release is being executed in several counterparts, all of which are identical, except that, to facilitate recordation in certain jurisdictions, there may be attached to certain counterparts hereof those portions of certain exhibits which contain descriptions of properties located in

DGS-66652.1

263531

RECORDED Sept. 22 1997 9:50 M
IN BOOK 105 046 PAGE 279
FEES $ 4.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sacton

the recording jurisdiction in which the particular counterpart is to be recorded. All of such counterparts together shall constitute one and the same instrument.

This Release is duly executed and delivered this 8th day of August, 1997, effective as of the Effective Date.

ASSIGNOR:

KODAK RETIREMENT INCOME PLAN TITLE HOLDING COMPANY, INC.

ATTEST:

John A. Hill
Secretary

By: David H. Kennedy
Chairman and President

STATE OF CONNECTICUT)
) .ss
COUNTY OF FAIRFIELD)

The foregoing instrument was acknowledged before me this 8th day of August, 1997, by David H. Kennedy, as Chairman and President of Kodak Retirement Income Plan Title Holding Company, Inc., a Delaware corporation, on behalf of such corporation.

Witness my hand and official seal.

My Commission Expires:
11/30/98

Elizabeth Dell'Orfano
Notary Public

280

ANNEX I

CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST

Attached to the Full Release of Net Profits Overriding Royalty Interests dated August 8, 1997 from Kodak Retirement Income Plan Title Holding Company, Inc. to UMC Petroleum Corporation

State	County	Recording Information Date	Book/Page/Reception #
WYOMING	Bighorn	04/17/95	Book MF 29, Page 82, #0820543
	Campbell	12/01/93	Book 1270, Page 247, #680178
	Campbell	04/14/95	Book 1331, Page 502, #695325
	Carbon	07/06/93	Book 897, Page 249, #844513
	Converse	06/21/93	Book 1037, Page 288, #779989
	Converse	04/14/95	Book 1069, Page 368, #803843
	Crook	08/02/93	Book 321, Page 166, #505147
	Crook	04/13/95	Book 335, Page 112, #517138
	Fremont	06/22/93	Book 559, Page 266, #1144274
	Hot Springs	06/23/93	Book 55, Page 684, #392042
	Hot Springs	04/14/95	Book 62, Page 268, #402041
	Johnson	07/19/93	Book 256, Page 167, #12923
	Natrona	06/21/93	#526175
	Natrona	04/21/95	#559757
	Sublette	06/22/93	Book 92, Page 554, #242051
	Sweetwater	06/21/93	Book 838, Page 919, #1139419
	Sweetwater	04/14/95	Book 862, Page 258, #1186629
	Washakie	06/23/93	Book 64, Page 576, #432003
	Washakie	04/17/95	Book 68, Page 2008, #444765
	Weston	04/17/95	Book 213, Page 475, #595578

ANNEX I

County: Sublette State: Wyoming

Field: Big Piney

WELL(S):

WELL NAME:	Long Island #2 Unit
UNIT DESCRIPTION:	Part of Sec 23 and Sec 24, T29N-R112W, 6th P.M.
J/A NO.:	489805
WI/NRI:	2.5000000% ORRI

LEASE(S):

BHP NO.:	WY 3370501
LESSOR:	United States of America W-43911
LESSEE:	Mr. William R. Ingebretsen
DATE:	August 1, 1956
BOOK/PAGE:	Not Recorded
DESCRIPTION:	SE/4, S/2 SW/4 Sec 13; W/2 NW/4, SW/4 Sec 24; N/2 NW/4 Sec 25, T29N-R112W, 6th P.M.

BHP NO.:	WY 2194601
LESSOR:	United States of America W-039908
LESSEE:	Mr. William R. Ingebretsen
DATE:	August 1, 1956
BOOK/PAGE:	Not Recorded
DESCRIPTION:	E/2, E/2 NW/4 Sec 24; S/2, S/2 N/2, N/2 NE/4 Sec 25; All Sec 35; T29N-R112W, 6th P.M.

SUBLETTE, WY

LEASE NUMBER	LESSOR	LESSEE	LEASE DATE	VOL	PAGE	INDEX
WY7124100000	USA W-05900-C T032N R114W SEC: 019 SE/4NE/4, NE/4SE/4 BELOW THE BASE OF THE MESAVERDE FORMATION	LUELLA JOHNSON	06/01/51			

283

3

AFTER RECORDING, RETURN TO:
JACQUELINE JORDAN
DAVIS, GRAHAM & STUBBS
370 17TH STREET, SUITE 1700
POST OFFICE BOX 185
DENVER, COLORADO 80201-0185

[redacted] [redacted] [redacted]

Sublette, Wyoming

RECORDED Sept. 22 1997 M 2:50p
IN BOOK 105 Misc PAGE 284
FEES $24.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

263545

FULL RELEASE OF

NET PROFITS OVERRIDING ROYALTY INTERESTS

THIS FULL RELEASE OF NET PROFITS OVERRIDING ROYALTY INTERESTS (this "Release") is effective as of 7:00 a.m. at the location of the Properties (defined below) on January 1, 1997 (the "Effective Date") and is from GA-CE 93 Limited Partnership, a Texas limited partnership with offices at 410 - 17th Street, Suite 1400, Denver, Colorado 80202 ("GA-CE"), to and for the benefit of UMC Petroleum Corporation, a Delaware corporation, with offices at 410 - 17th Street, Suite 1400, Denver, Colorado 80202 ("UMC").

RECITAL

GA-CE is the owner of certain net profits overriding royalty interests (the "Net Profits Interests") burdening certain oil and gas and other mineral leases, lands and other interests (the "Properties") pursuant to those certain Conveyances of Net Profits Overriding Royalty Interests described on Annex I hereto (collectively, the "Conveyances").

RELEASE

In consideration of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, GA-CE hereby RELEASES, EXTINGUISHES AND CONVEYS for the benefit of UMC and its successors and assigns all of GA-CE's right, title and interest in and to the Net Profits Interests, insofar and only insofar as such interest cover Subject Hydrocarbons (as defined in the Conveyances) produced from the Properties from and after the Effective Date.

The Conveyances described on Annex I hereto include all of the instruments by which GA-CE acquired the Net Profits Interests in accordance with that certain Agreement of Limited Partnership dated as of April 23, 1993 by and between General Atlantic Resources, Inc., a Delaware corporation, and The University of Chicago, an Illinois non-profit corporation. Partial releases of the Net Profits Interests with respect to some of the Properties have previously been granted by GA-CE for the benefit of third parties. This Release shall not cover those Net Profits Interests which were previously released by GA-CE.

This Release shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Release is being executed in several counterparts, all of which are identical except that, to facilitate recordation in certain jurisdictions, there may be attached to certain counterparts hereof those portions of certain exhibits which contain descriptions of Properties located in the recording jurisdiction in which the particular counterpart is to be recorded. All of such counterparts together shall constitute one and the same instrument

This Release is duly executed and delivered this 31st day of July, 1997, effective as of the Effective Date.

ATTEST:

Kathleen A. Schlager,
Assistant Secretary

ASSIGNOR:

GA-CE 93 LIMITED PARTNERSHIP
By its General Partner,
UMC Petroleum Corporation

By: _____
Edward L. McLaughlin,
Vice President - Land

STATE OF COLORADO)
)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 31st day of July, 1997 by Edward L. McLaughlin, as Vice President - Land of UMC Petroleum Corporation, acting in its capacity as General Partner of GA-CE 93 Limited Partnership, a Texas limited partnership, on behalf of such partnership.

Witness my hand and official seal.

My Commission expires: 9-3-2001

Notary Public
Kathleen R. Vigil
410 - 17th Street, Suite 1400
Denver, Colorado 80202

[redacted] [redacted] [redacted]

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GA-CE 93 Limited Partnership to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
ALABAMA	Escambia	8-11-93	Book 47, Page 110
ALASKA	Barrow	8-16-93	Book 69, Page 262
ARIZONA	Apache	6-21-93	Book 718, Page 564
ARKANSAS	Columbia	6-21-93	Book 610, Page 138
	Conway	6-22-93	Book 84, Page 426
	Crawford	11-29-93	Book 93, Page 34399
	Faulkner	6-21-93	Book 538, Page 591
	Lafayette	6-22-93	Volume A-30, Page 261
	Logan (So. Dist.)	6-30-93	Book ND93-6, Page 583
	Miller	6-28-93	Book M-589, Page 312
	Nevada	6-21-93	Book 440, Page 095
	Ouachita	6-22-93	Book 592, Page 393
	Sebastian	6-22-93	Book 0458, Page 0104
	Union	6-21-93	No. 934286
	White	6-22-93	Volume 147, Page 510
CALIFORNIA	Kern	7-30-93	Book 6885, Page 1434
	Solano	9-2-93	No. 1993-00080890
COLORADO	Adams	6-28-93	Book 4098, Page 895
	Cheyenne	6-21-93	Book 283, Page 918
	Kit Carson	6-21-93	Book 663, Page 334
	Lincoln	6-21-93	Book 391, Page 820
	Moffat	12-1-93	Reception # 350935
	Montezuma	6-28-93	Book 674, Page 703
	Morgan	6-28-93	Book 956, Page 254
	Rio Blanco	6-21-93	Book 504, Page 458
	Routt	6-28-93	Book 686, Page 1110
	Washington	6-28-93	Book 924, Page 95
KANSAS	Barber	6-21-93	Book 261, Page 437
	Barton	6-25-93	Book 537, Page 55
	Cowley	8-2-93	Book 477, Page 629
	Ellis	7-12-93	Book 399, Page 537
	Hamilton	6-29-93	Book 23A, Page 27
	Harper	6-22-93	Book 85, Page 329

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GA-CE 93 Limited Partnership to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Kingman	6-21-93	Book 19, Page 50
	Meade	6-21-93	Book 84, Page 359
	Morton	12-2-93	Book 75, Page 390
	Pawnee	6-21-93	Book M97, Page 469
	Pratt	6-21-93	Book 229, Page 359
	Riley	6-28-93	Book 634, Page 247
	Rooks	7-6-93	Book 266, Page 156
	Stafford	8-2-93	Book 120, Page 739
	Wallace	6-24-93	Book 117, Page 247
LOUISIANA	Acadia	6-28-93	Book I 51, Page 592
	Assumption	6-28-93	Book 238A, Entry #169861
	Beauregard	6-28-93	Book 581, Page 482
	Bienville	7-2-93	Book 686, Page 308
	Bossier	6-28-93	Volume 1031, No. 557903
	Calcasieu	8-3-93	Book 2371, Page 113
	Catahoula	7-12-93	Book 171, Page 716
	Iberville	6-29-93	Book 461, Entry No. 51
	Jackson	7-9-93	Book 267, Page 460
	Jefferson Davis	6-21-93	Book 769, Page 197
	Lafayette	6-22-93	File No. 93-021686
	Lincoln	6-28-93	Book 842, Page 200
	Madison	6-29-93	Book 132, Page 51
	Richland	6-28-93	Book 384, File No. 285593
	St. Landry	6-29-93	Book 546, Page 771
	St. Martin	6-21-93	Book 1183, Folio 561
	Terrebonne	6-28-93	Book 1369, Entry No.918946
	Union	6-28-93	Book 903, Page 258
	Vermillion	6-29-93	No. 9305679
MICHIGAN	Arenac	7-12-93	Liber 248, Page 491
	Livingstone	12-14-93	Liber 1773, Page 0981
MISSISSIPPI	Amite	6-29-93	Book 61, Page 1
	Lamar	6-29-93	Book 100, Page 67
	Lawrence	6-28-93	Book 115, Page 93
	Lincoln	6-29-93	Book 172, Page 195
	Simpson	6-28-93	Book 929, Page 435
	Wilkinson	6-29-93	Book 107, Page 69

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ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GA-CE 93 Limited Partnership to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
MONTANA	Hill	6-21-93	Book 61, Page 98
	McCone	6-21-93	Book 96, Page 177
	Musselshell	6-28-93	Book 342, Page 434
	Pondera	6-22-93	Book 87, Page 1
	Powder River	6-28-93	Book 49, Page 45
	Roosevelt	6-22-93	Book 554, Page 184
	Sheridan	6-28-93	Film 571, EX 1439
	Toole	6-21-93	Book 89, Page 987
NEBRASKA	Banner	7-2-93	Book 126, Page 1
	Red Willow	6-28-93	Book 86, Page 146
NEW MEXICO	Eddy	6-22-93	Book 159, Page 349
	Lea	6-22-93	Book 571, Page 241
	Rio Arriba	6-28-93	Book 142, Page 598
	Roosevelt	6-22-93	Book 6, Page 89
	San Juan	6-21-93	Book 1164, Page 658
NORTH DAKOTA	Billings	6-21-93	Book 165, Page 343
	Bottineau	6-21-93	Book 332, Page 275
	Bowman	6-21-93	Document No. 134964
	Burke	6-21-93	Book 238, Page 918
	Divide	6-21-93	Book 186M, Page 679
	Dunn	6-21-93	Book 254, Page 48
	McKenzie	6-21-93	No. 317105
	Renville	6-29-93	Book 249, Page 624
	Stark	6-28-93	Book A308, Page 383
	Williams	12-14-93	No. 552752
OHIO	Morgan	6-30-93	Volume 86, Page 318
OKLAHOMA	Alfalfa	11-29-93	Book 500, Page 208
	Beaver	8-2-93	Book 904, Page 529
	Blaine	8-2-93	Book 660, Page 678
	Caddo	6-21-93	Book 1805, Page 234
	Canadian	6-22-93	Book 1806, Page 391
	Carter	6-21-93	Book 1776, Page 1
	Cleveland	6-21-93	Book 2456, Page 468

ANNEX I

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STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	Coal	6-28-93	Book 533, Page 412
	Creek	11-29-93	Book 315, Page 1434
	Custer	3-17-94	Book 914, Page 119
	Dewey	6-21-93	Book 977, Page 236
	Ellis	6-21-93	Book 562, Page 29
	Garfield	6-21-93	Book 1228, Page 554
	Garvin	6-21-93	Book 1359, Page 220
	Grady	6-21-93	Book 2565, Page 237
	Grant	6-21-93	Book 477, Page 869
	Harper	6-21-93	Book 484, Page 403
	Haskell	6-28-93	Book 511, Page 430
	Hughes	6-21-93	Book 840, Page 361, #002385
	Jefferson	6-21-93	Book 542, Page 218
	Kay	7-7-93	Book 866, Page 790
	Kingfisher	6-21-93	Book 1340, Page 246
	Latimer	6-21-93	Book 430, Page 1
	LeFlore	6-21-93	Book 1092, Page 284
	Lincoln	6-22-93	Book 1227, Page 253
	Logan	6-21-93	Book 1302, Page 192
	Love	6-21-93	Book 455, Page 474
	Major	6-28-93	Book 1319, Page 136
	McClain	6-22-93	Book 1351, Page 468
	McIntosh	6-21-93	Book 427, Page 697
	Noble	6-21-93	Volume 460, Page 66
	Oklahoma	7-8-93	Book 6457, Page 0168
	Osage	6-21-93	Book 0836, Page 0206
	Pawnee	6-21-93	Book 456, Page 751
	Pittsburg	6-22-93	Book 783, Page 61
	Pontotoc	6-21-93	Book 1408, Page 695
	Pottawatomie	6-28-93	Book 2212, Page 228
	Pushmataha	6-21-93	Book 350, Page 909
	Roger Mills	6-21-93	Book 1344, Page 34
	Seminole	6-30-93	Book 1810, Page 113
	Sequoyah	6-28-93	Book 728, Page 84
	Stephens	6-21-93	Book 1887, Page 554
	Texas	6-29-93	Book 876, Page 519
	Woods	6-21-93	Book 755, Page 495
	Woodward	6-22-93	Book 1354, Page 319

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ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GA-CE 93 Limited Partnership to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
TEXAS	Andrews	7-20-93	Volume 654, Page 441
	Bee	6-22-93	Volume 275, Page 328
	Borden	3-21-94	Volume 250, Page 106
	Brazoria	7-6-93	No. 93-023685
	Caldwell	7-6-93	Volume 93, Page 938
	Coleman	6-29-93	Volume 647, Page 1
	Colorado	3-23-94	Volume 102, Page 113
	Cooke	7-22-93	Volume 861, Page 608
	Crane	6-21-93	Volume 350, Page 683
	Crockett	6-24-93	Volume 493, Page 230
	Dallam	7-19-93	Volume 27, Page 532
	Dawson	6-21-93	Volume 357, Page 341
	Dewitt	6-24-93	Volume 303, Page 365
	Duval	6-21-93	Book 150, Page 596
	Fisher	7-19-93	Volume 685, Page 81
	Fort Bend	7-9-93	Volume 2541, Page 2399
	Franklin	7-8-93	Volume 151, Page 492
	Freestone	6-21-93	Volume 906, Page 569
	Frio	6-21-93	Volume 809, Page 1
	Gaines	7-22-93	Volume 381, Page 286
	Glasscock	6-21-93	Volume 301, Page 345
	Goliad	6-22-93	Liber 8, Page 182
	Gonzales	6-28-93	Volume 722, Page 882
	Gregg	6-29-93	Volume 2527, Page 339
	Harrison	7-19-93	Volume 1337, Page 125
	Henderson	7-19-93	Volume 1481, Page 451
	Hidalgo	8-11-93	Document No. 337927
	Hopkins	7-7-93	Volume 157, Page 880
	Howard	6-29-93	Volume 681, Page 624
	Irion	6-25-93	Volume 101, Page 70
	Jackson	7-26-93	Volume 13, Page 682
	Jefferson	7-6-93	#93-22145, & #104 90 0949
	Jim Wells	6-22-93	Volume 298, Page 425
	Karnes	6-21-93	Volume 644, Page 870
	LaSalle	6-21-93	Volume 360, Page 145
	Leon	6-21-93	Volume 853, Page 861
	Live Oak	6-21-93	Volume 377, Page 11
	Martin	7-20-93	Volume 31, Page 1
	Matagorda	7-19-93	Volume 354, Page 141

ANNEX I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997 from GA-CE 93 Limited Partnership to UMC Petroleum Corporation.

STATE	COUNTY or PARISH	CONVEYANCES OF NET PROFITS OVERRIDING ROYALTY INTEREST RECORDING INFORMATION	
	McMullen	7-19-93	Volume 342, Page 196
	Montague	7-19-93	Volume 15, Page 336
	Navarro	6-21-93	Volume 1268, Page 87
	Nueces	7-20-93	Document No. 865898
	Orange	6-28-93	Volume 867, Page 268
	Panola	7-5-93	Volume 913, Page 754
	Roberts	6-21-93	Volume 116, Page 145
	Rusk	6-21-93	Volume 1824, Page 385
	Schleicher	6-21-93	Volume 382, Page 207
	Smith	7-1-93	Volume 3379, Page 548
	Starr	6-22-93	Volume 672, Page 643
	Stonewall	7-19-93	Volume 377, Page 47
	Upton	6-21-93	Volume 606, Page 503
	Victoria	6-28-93	Volume 65, Page 604
	Walker	7-14-93	Volume 197, Page 689
	Ward	6-30-93	Book 609, Page 441
	Wharton	7-21-93	Volume 65, Page 455
	Winkler	6-21-93	Volume 413, Page 322
	Wise	7-1-93	Volume 501, Page 862
	Yoakum	6-21-93	Volume 110, Page 552
UTAH	Duchesne	12-2-93	Book MR260, Page 45
	San Juan	6-21-93	Book 730, Page 785
	Uintah	11-29-93	Book 562, Page 344
WYOMING	Campbell	12-1-93	Book 1270, Page 193
	Carbon	7-6-93	Book 897, Page 206
	Converse	6-21-93	Book 1037, Page 247
	Crook	8-2-93	Book 321, Page 120
	Fremont	6-22-93	Book 560, Page 1
	Hot Springs	6-23-93	Book 55, Page 727
	Johnson	7-19-93	Book 256, Page 126
	Natrona	6-21-93	Instrument No. 526177
	Sublette	6-22-93	Book 92, Page 512
	Sweetwater	6-21-93	Book 838, Page 873
	Washakie	6-23-93	Book 64, Page 535

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ATTACHMENT I

Attached to and made a part of that certain Full Release of Net Profits Overriding Royalty Interests dated effective January 1, 1997, from GA-CE 93 Limited Partnership, a Texas limited partnership, to UMC Petroleum Corporation.

County: Sublette **State:** Wyoming

Field: Big Piney

WELL(S):

WELL NAME:	Long Island #2 Unit
UNIT DESCRIPTION:	Part of Sec 23 and Sec 24, T29N-R112W, 6th P.M.
J/A NO.:	489805
WI/NRI:	2.5000000% ORRI

LEASE(S):

BHP NO.:	WY 3370501
LESSOR:	United States of America W-43911
LESSEE:	Mr. William R. Ingebretsen
DATE:	August 1, 1956
BOOK/PAGE:	Not Recorded
DESCRIPTION:	SE/4, S/2 SW/4 Sec 13; W/2 NW/4, SW/4 Sec 24; N/2 NW/4 Sec 25, T29N-R112W, 6th P.M.

BHP NO.:	WY 2194601
LESSOR:	United States of America W-039908
LESSEE:	Mr. William R. Ingebretsen
DATE:	August 1, 1956
BOOK/PAGE:	Not Recorded
DESCRIPTION:	E/2, E/2 NW/4 Sec 24; S/2, S/2 N/2, N/2 NE/4 Sec 25; All Sec 35; T29N-R112W, 6th P.M.

SUBLETTE, WY

LEASE NUMBER	LESSOR		LESSEE	LEASE DATE	VOL	PAGE	INDEX
WY7124100000	USA W-05900-C; T032N R114W	SEC: 019	LUELLA JOHNSON SE/4NE/4, NE/4SE/4 BELOW THE BASE OF THE MESAVERDE FORMATION	06/01/51			

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2 — 8pt.

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 14th day of August, 19 97, by and between Thomas A. Gilbertson, a married man dealing in his sole and separate property

Whose post office address is 216 Sandringham North, Moraga, CA 94556, hereinafter called Lessor (whether one or more) and Donald B. Anderson Ltd. whose post office address is 6400 So. Fiddler's Green Circle, Suite 1750 Englewood, CO 80111, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More ($10.00+) 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 MADE A PART HEREOF

and containing 685.45 acres, more or less. Two (2) March 30, 1999

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 (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the prevailing market rate for gas.

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 prevailing market rate.

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 nearet 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.

263563

RECORDED Sept. 23 1997 3:20 P M
IN BOOK 105 016 PAGE 294
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Zoten

X Thomas A. Gilbertson

Thomas A. Gilbertson, a married man
dealing in his sole and separate property
S.S. #396-36-0525

STATE OF California
COUNTY OF Contra Costa } 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 97, personally appeared Thomas A. Gilbertson, a married man dealing in his sole and 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 3-10-00

Charlotte E. Davey
Comm. #1087592
NOTARY PUBLIC—CALIFORNIA
CONTRA COSTA COUNTY
Comm. Exp. March 10, 2000

Charlotte E. Davey
Notary Public

Address: 1899 School St. Moraga Ca

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____.

(SEAL)

My Commission expires _____

Notary Public.

Address: _____

No.____
FROM
TO
Dated____, 19____
No. Acres____
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.
By____
County Clerk.
Deputy.
When recorded return to

[redacted] EXHI[redacted]" [redacted]

This Exhibit "A" is attached hereto and made a part hereof of that certain Oil and Gas Lease dated August 14, 1997, between Thomas A. Gilbertson, a married man dealing in his sole and separate property, 216 Sandringham North, Moraga, California 94556, as Lessor, and Donald B. Anderson Ltd., 6400 South Fiddler's Green Circle, Suite 1750, Englewood, Colorado 80111, as Lessee, covering the following lands, to-wit:

Township 29 North, Range 112 West, 6th P.M.
Section 11: SW/4NW/4, NW/4SW/4, SE/4SW/4, S/2SE/4

LESS AND EXCEPT: All that part of the SW/4NW/4 lying within the boundaries of a metes and bounds description, more particularly described as follows: Beginning at the northeast corner of said parcel, said corner lying S 0 degrees 13 minutes 12 seconds E, 31.86 feet from the northeast corner of said SW/4NW/4 of Section 11, T29N, R112W, and being in the centerline of 80 foot wide Sublette County Road No. 23-151; thence from said northeast corner and point of beginning S 0 degrees 13 minutes 12 seconds E, 1109.88 feet along the east boundary of said parcel to the southeast corner thereof; thence along the south line of said parcel S 85 degrees 38 minutes 01 seconds W, 827.50 feet to an angle point: thence N 58 degrees 20 minutes 33 seconds W, 1048.59 feet along the southerly line thereof to a point and intersection with the centerline of said County Road No. 23-151; thence N 79 degrees 06 minutes 38 seconds E, 51.91 feet along said centerline to an angle point; thence N 65 degrees 25 minutes 57 seconds E, 82.24 feet along the centerline of said road to an angle point; thence N 20 degrees 52 minutes 47 seconds W, 427.92 feet along the westerly line of said parcel and the centerline of a 20 foot wide easement for use at sellers discretion, to an angle point; thence N 77 degrees 02 minutes 50 seconds E, 429.59 feet along said easement centerline and northerly line of said parcel to an angle point; thence N 0 degrees 22 minutes 31 seconds W, 194.50 feet along the westerly line of said parcel and the west line of said SW/4NW/4 of Section 11 to the northwesterly corner thereof; thence S 86 degrees 31 minutes 45 seconds E, 764.57 feet along the north line of said parcel and the north line of said SW/4NW/4 of Section 11, to an angle point; thence S 23 degrees 35 minutes 36 seconds W, 327.60 feet along the easterly line of said parcel to a point and intersection with the centerline of said Sublette County Road No. 23-151; thence N 70 degrees 30 minutes 25 seconds E, 591.41 feet along said centerline and northerly line of said parcel to an angle point; thence N 74 degrees 29 minutes E, 138.67 feet along the centerline of said road and northerly line of said parcel to the point of beginning, 32.386 acres, more of less.

LESS AND EXCEPT: Part of the SW/4NW/4, more particularly described as follows: Beginning at the northeasterly corner of the parcel being described and also said SW/4NW/4 of Section 11; thence along the easterly line of said parcel and also said SW/4NW/4 of Section 11, S 0 degrees 13 minutes 12 seconds E, 31.86 feet to the southeasterly corner of said parcel and a point in an intersection with the centerline of 80 feet wide South Piney County Road No. 23-151; thence along the southerly line of said parcel and the centerline of said County Road, S 74 degrees 29 minutes W, 138.67 feet to a point; thence S 70 degrees 30 minutes 25 seconds W, 591.41 feet to the southwesterly corner of said parcel; thence along the westerly line of said parcel, N/23 degrees 35 minutes 36 seconds E, 327.60 feet to the northwesterly corner of said parcel and a point in an intersection with the northerly line of said SW/4NW/4, Section 11; thence along the northerly line of said parcel and also said SW/4NW/4, Section 11. S 86 degrees 31 minutes 45 seconds E, 560.89 feet to the point of beginning, 2.168 acres, more or less.

Section 12: S/2SW/4, SW/4SE/4
Section 13: W/2NE/4, NW/4, N/2SW/4
Section 14: N/2NE/4

containing 685.45 acres, more or less

Notwithstanding anything to the contrary, whenever the royalty fraction of one-eighth (1/8th) appears herein, it shall be fifteen percent (15%) for the purpose of the Lease. The lesser interest provisions shall be applicable to this increased royalty.

SIGNED FOR IDENTIFICATION:

Thomas A. Gilbertson, a married man dealing in his
sole and separate property

297

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-141711

Lease Effective Date
(Anniversary Date)
October 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* YATES DRILLING COMPANY -10%
   Street 105 South Fourth Street
   City, State, ZIP Code Artesia, NM 88210

*If more than one assignee, check here ☒ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 29 North, Range 109 West, 6th P.M. Section 12: E/2 Sublette County, Wyoming	100%	30%	70%	-0-	-0-

263568

RECORDED Sept. 24, 1997 9:45 A
IN BOOK 105 Otr 1 P. 297
FEES $ 8.00 M. L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Soeten

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____

[redacted] [redacted] [redacted]

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

MYCO INDUSTRIES, INC. -10%
ABO PETROLEUM CORPORTION -10%
105 South Fourth Street
Artesia, NM 88210

State of New Mexico)
:ss
Eddy County)

The foregoing instrument was acknowledged before me this 15th day of September, 1997, by Randy G. Patterson, Attorney-in-Fact for YATES PETROLEUM CORPORATION, a New Mexico corporation on behalf of said corporation.

My commission expires:
5/19/98

Notary Public

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, national, or resident alien of the United States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 15th day of September, 19 97

Name of Assignor as shown on current lease YATES PETROLEUM CORPORATION
Please type or print

Assignor
or
Attorney-in-fact Randy G. Patterson, jr
(Signature)
105 South Fourth Street
(Assignor's Address)
Artesia, NM 88210
(City) (State) (Zip Code)

Executed this 15th day of September, 19 97

Assignee
or
Attorney-in-fact
(Signature)

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

299

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, **BURLINGTON RESOURCES OIL & GAS COMPANY,** f/k/a Meridian Oil Inc., f/k/a Meridian Oil Production Inc., 3300 North "A" Street, Bldg. 5, Midland, Texas 79705-5421 hereinafter called ASSIGNOR, for and in consideration of Ten Dollars ($10.00), the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer, and set over unto **W. Thomas McRae Oil and Gas Properties,** 1742 W. 116th Circle, Westminster, Colorado 80234, hereinafter called ASSIGNEE, all of its right, title, and interest in and to the Oil and Gas Leases located in Sublette County Wyoming, described on Exhibit "A" attached hereto and made a part hereof, insofar and only insofar as said leases cover the lands set forth on 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 warranties whatsoever, either express or implied. All of the provisions of this Assignment shall be available to and binding upon the respective heirs, executors, administrators, successors, and assigns of the Assignor and Assignee herein.

Dated this 1st day of August, 1997, but effective May 1, 1997

EXECUTED this 29th day of August 1997.

Burlington Resources Oil & Gas Company

By: Dennis Sledge
Dennis Sledge, Attorney-In-Fact

NV GHD

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 29th day of August, 1997 by Dennis Sledge, Attorney-In Fact for Burlington Resources Oil & Gas Company, a Delaware Corporation.

Given under my hand and seal of office this 29th day of August, 1997.

My commission expires:

CHERYL HODGE
Notary Public
STATE OF TEXAS
My Comm. Exp. 10/18/98

By: Cheryl Hodge
Cheryl Hodge, Notary Public

McNeass.doc/jsg

263569

RECORDED Sept. 24 1997 10:06 AM
BK 105 016 PAGE 299
$ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Soden

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Lease(s) dated August 1, 1997, but effective May 1, 1997, by and between Burlington Resources Oil and Gas Company, as Assignor, and W. Thomas McRae Oil & Gas Properties, as Assignee, covering the following described lands in Sublette County, Wyoming, to wit:

BR LEASE#	US LEASE#	LESSOR	LESSEE	LSE DATE	BOOK/PG	LEGAL DESCRIPTION
16335	W0320797	USA	Margaret E. Allen	12/1/65	N/A	Township 27 North, Range 110 West, 6th PM Section 23: SW/4, W/2SE/4 Section 26: SW/4, N/2SE/4, SW/4SE/4, NW/4, SE/4NE/4, W/2NE/4

301

Form 3000-3
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

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 (42 U.S.C. 6508)

Lease Serial No.
W-120787

Lease Effective Date
(Anniversary Date)
7-1-90

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

The W. Clifton Arbuckle Trust
W. Clifton Arbuckle Trustee
633 17th St. #1910
Denver, CO 80202

6.055% of 100%

*If more than one assignee, check here ☒ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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

Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.

a	Percent of Interest: Owned b	Conveyed c	Retained d	Percent of Overriding Royalty or Similar Interests: Reserved e	Previously reserved or conveyed f
T 36 N-R 112 W, 6th PM Section 18: N½NE¼, SW¼NE¼ Sublette County, WY Containing 120 acres, more or less. Subject to the reassignment language detailed in the assignment from C. R. F. Eckels to Holmes P. McLish excuted by C. R. F. Eckels July 27, 1995.	100.0%	100.0%	-0-	5.0%	3.0%

263683

RECORDED Sept. 29, 1997 2:36 p.m.
BOOK 105 OF MISC. PAGE 301
FEE $10.00
MARY LOU COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sutton

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 effective _____

By _____

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____

Part A (Continued) ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

Roubidoux, LLC
W. Clifton Arbuckle, Manager
633 17th St. #1910
Denver, CO 80202

12.111% of 100.0%

The Elliott A. Riggs Trust
Elliott A. Riggs Trustee
P.O. Box 711
Farmington, NM 87499

18.167% of 100.0%

McLish Resources L. P.
McLish Petroleum Company, General Partner
633 17th St. #1910
Denver, CO 80202

18.167% of 100%

WILLOCO, LLC
Joseph H. Brinkman, Manager
1775 Sherman St. #1955
Denver, CO 80203

45.5% of 100%

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me by Holmes P. McLish
this 23rd day of June, 19 97.

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

My Commission Expires:
Jan. 4, 2000

Jaxcene L. Heinze
Notary Public
Jaxcene L. Heinze
633 17th St. #1910
Denver, CO 80202

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 23rd day of June, 19 97

Name of Assignor as shown on current lease Holmes P. McLish
Please type or print

Assignor Holmes P. McLish
(Signature)
or
Attorney-in-fact
(Signature)

633 17th St. #1910
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 23rd day of June, 19 97

The W. Clifton Arbuckle Trust

Assignee W. Clifton Arbuckle
(Signature)
or
Attorney-in-fact W. Clifton Arbuckle Trustee
(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 fraudulent statements or representations as to any matter within its jurisdiction.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1988—573-016/85011

Executed this _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

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 28 day of Aug, 19 97

Roubidoux, LLC

Assignee W. Clifton Arbuckle
(Signature)
or W. Clifton Arbuckle, Manager
Attorney-in-fact _____
(Signature)

Executed this _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

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 28 day of Aug, 1997

The Elliott A. Riggs Trust

Assignee _____
(Signature)
Elliott A. Riggs, Trustee
Attorney-in-fact _____
(Signature)

Executed this _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

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 28 day of Aug. 19 97

McLish Resources L.P.

Assignee _____
(Signature)
or
Attorney-in-fact H. P. McLish
(Signature)

Executed this _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 5th day of Sept. 19 97

WILLOCO, LLC

Assignee _____
(Signature)
or
Attorney-in-fact Joseph H. Brinkman, Manager
(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 fraudulent statements or representations as to any matter within its jurisdiction.

Merna [redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned Holmes P. McLish, 633 17th St. #1910, Denver, CO 80203 **, hereinafter called ASSIGNOR, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto:**

SEE THE ATTACHED EXHIBIT "A"

hereinafter called ASSIGNEE, his heirs and assigns, an overriding royalty of an undivided SEE THE ATTACHED EXHIBIT "A" **of all oil, gas and other minerals produced, saved and sold under the terms of the oil and gas leases more particularly set forth and described on Exhibit "B" attached hereto and made a part hereof.**

A. 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 above described oil and gas lease.

B. 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 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 benefitting said lands.

C. This assignment of overriding royalty is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 5th day of May, 1997.

Holmes P. McLish

STATE OF COLORADO)
COUNTY OF Denver) ss:

The foregoing instrument was acknowleged before me this 5th day of May, 19 97, by Holmes P. McLish

Witness my hand and notarial seal.

Notary Public

My Commission Expires: January 4, 2000

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

263684

RECORDED Sept. 29, 1997 2:35 P
IN BOOK 105 D+G PAGE 304
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By

EXHIBIT "A"

1.	McLish Resources L. P. McLish Petroleum Company, General Partner 633 17th St. #1910 Denver, CO 80202	18.1666% of 5.0% of 8/8ths
2.	Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	12.1113% of 5.0% of 8/8ths
3.	Elliott A. Riggs Trust Elliott A. Riggs, Trustee P.O. Box 711 Farmington, NM 87499	18.1666% of 5.0% of 8/8ths
4.	W. Clifton Arbuckle Trust W. Clifton Arbuckle, Trustee 633 17th St. #1910 Denver, CO 80202	6.0555% of 5.0% of 8/8ths
5.	WILLOCO, LLC 1775 Sherman St. #1955 Denver, CO 80203	45.5% of 5.0% of 8/8ths

[redacted] [redacted] [redacted]

EXHIBIT "B"

Lessor:	USA, WYW-120787
Lessee:	C.R.F. Eckels
Assignee:	Holmes P. McLish
Dated:	7-1-90
Term:	10 years
ORR:	3.0%
Royalty:	12.5%
Legal:	T36N-R112W, 6th P.M. Section 18: N½NE¼, SW¼NE¼ Total acres: 120

Producers 88 - Revised
Wyoming (U)
(12-56)

OIL AND GAS LEASE

307

THIS AGREEMENT, made and entered into this 6th day of September, 1997, by and between Kathleen A. Miller, A single woman

of P.O. Box 243, Daniel, Wyoming 83115, hereinafter called lessor (whether one or more), and Starwood, Inc., a Texas Corporation of P.O. Box 200, Basalt, CO 81621, hereinafter called lessee:

WITNESSETH: that lessor, for and in consideration of ten and more in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

263720

RECORDED Oct. 1, 1997 9:50 AM
IN BOOK 105 O+G PAGE 307
$ 14.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

of Section ....., Township ....., Range ....., it being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 8,717.23 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~xxxxxx~~ three (3) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after each such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth (1/8) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth (1/8) of the prevailing market price at the well for the gas so used.

If no well be commenced on said land on or before one year from the date hereof, this lease shall (except as otherwise provided in this paragraph) terminate, unless lessee (or someone in his behalf), on or before such date, shall pay or tender to lessor, or to lessor's credit in the ~~xxxxx

[redacted] agreement by mail to lessor's last known [redacted] shown by

Lessee shall have the right to use, free of cost, oil, gas and water produced on said land for its operations thereon except water from wells of lessor. 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. No part of the surface of the leased premises shall, without the written consent of lessee, be let, granted or licensed by lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoirs, equipment, or machinery to be used for the purpose of exploring, developing or operating adjacent lands for oil, gas or other minerals.

Lessee shall bury below plow depth its pipe lines on the leased premises when requested by a lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on said premises without the written consent of the owner of the surface on which such house or barn is located. Lessee shall pay for damages to growing crops caused by its operations on said lands.

Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any of the express or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, lack of market, act of God, strike, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

[redacted]

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

x Kathleen A Miller
Kathleen A. Miller, a single woman
SSN: 520-70-5607

STATE OF Wyoming
COUNTY OF Sublette } SS.

(Individual—Wyo.)

On this 19th day of September, 19 97, before me personally appeared Kathleen A Miller to me known to be the person (or persons) described in and who executed the foregoing instrument, and acknowledged that she (or he or they) executed the same as his (or her or their) free act and deed.

KAREN S. WENZ - NOTARY PUBLIC
County of Sublette State of Wyoming
My Commission Expires Jan. 2, 2000

My commission expires:
Jan 2 2000

x Karen S Wenz
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Individual—Wyo.)

On this ..... day of ....., 19....., before me personally appeared .....
....., 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.

My commission expires:

.....
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Corporation—Wyo.)

On this ..... day of ....., 19....., before me appeared .....
....., to me personally known, who, being by me duly sworn, did say that he is the ..... President of ....., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of board of directors, and said ..... acknowledged said instrument to be the free act and deed of said corporation.

My commission expires:

.....
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Certificate of Recording)

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

.....
Register of Deeds

By .....
Deputy

AFTER RECORDING, RETURN TO: .....

EXHIBIT "A"

Attached to and made a part of that certain Oil & Gas Lease dated September 6, 1997, by and between Kathleen A. Miller, a single woman, as Lessor and Starwood, Inc., a Texas Corporation, as Lessee, to wit:

Description of Lands

Township 31 North, Range 110 West of the 6th P.M.
Section 7: Lots 3, 4, SE/4SW/4
Section 17: NW/4NE/4, S/2NE/4, NE/4SW/4, SW/4SW/4, SW/4SE/4
Section 18: Lot 1, NE/4NW/4, NW/4NE/4, S/2NE/4, NE/4SE/4
Section 20: NW/4NE/4, NE/4NW/4

Township 31 North, Range 111 West of the 6th P.M.
Section 11: S/2NE/4, SE/4
Section 12: S/2N/2, S/2
Section 13: N/2N/2

Township 33 North, Range 111 West of the 6th P.M.
Section 4: Lots 3, 4, S/2NW/4, SW/4

Township 34 North, Range 111 West of the 6th P.M.
Section 28: S/2NW/4, SW/4
Section 29: NW/4NE/4, S/2NE/4, SE/4, W/2
Section 30: SE/4SE/4
Section 31: NE/4NE/4
Section 32 N/2, N/2SE/4
Section 33: W/2

Township 34 North, Range 112 West of the 6th P.M.
Section 1: Lot 1, SE/4NE/4, E/2SE/4

Township 35 North, Range 111 West of the 6th P.M.
Section 30: Lots 3,4, E/2SW/4, SW/4SE/4
Section 31: Lots 1, 2, 3, 4, E/2W/2, W/2E/2, SE/4NE/4, E/2SE/4
Section 32: NE/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4

Township 35 North, Range 112 West of the 6th P.M.
Section 3: Lots 1, 2, 3, 4, S/2N/2, S/2
Section 7: NE/4NE/4
Section 8: N/2NW/4, SW/4NW/4
Section 9: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 10: N/2NE/4, SE/4NE/4, NE/4NW/4
Section 11: S/2N/2, N/2SE/4, NE/4SW/4
Section 13: SW/4SW/4
Section 14: SW/4NE/4, NE/4NW/4, S/2NW/4, S/2
Section 15: S/2N/2, S/2
Section 22: N/2N/2
Section 23: NW/4NE/4, N/2NW/4
Section 25: E/2SE/4

Township 36 North, Range 112 West of the 6th P.M.
Section 11: E/2E/2
Section 12: SW/4NW/4, W/2SW/4, and all portions of the NW/4NW/4, E/2E/2 lying and being West of the centerline of State Highway 187
Section 13: W/2NW/4, SW/4, and all portions of the E/2NW/4 lying and being West of the centerline of State Highway 187
Section 14: E/2NE/4
Section 24: N/2NW/4, SE/4NW/4, NE/4SW/4, S/2SW/4
Section 25: NW/4, N/2SW/4

All above lands containing 8,717.23 acres, more or less

NOTWITHSTANDING anything to the contrary contained in the printed portion of the lease to which this EXHIBIT "A" is attached, Lessor and Lessee also agree as follows:

1) The royalty is one-eighth (1/8) before payout and shall increase to 15% after payout. Payout shall be defined as after recovery of all costs of drilling, completing, reworking and equipping any well or wells of all lands herein described or pooled herewith, less operating costs.

[redacted] [redacted] [redacted]

2) Once initial production from this lease begins, if the sum of the royalty paid Lessors from the date of first production to the one year (1) anniversary date or any subsequent one (1) year period is less than the annual rental payment provided in this lease, then Lessee agrees to pay Lessor the difference between the royalty paid to Lessor for the previous one (1) year period and the annual rental amount provided by this lease. If payment is not tendered by Lessee to Lessor(s) within ninety (90) days from the anniversary date and within ninety (90) days notification to the Lessee that such a payment is due, then this lease shall terminate as to all parties.

3) Lessee is hereby granted the right and power at any time and from time to time to pool only parts of said lease with land or leases adjacent and only the prescribed or required acreage necessary to abide by the State law, order, rule or regulation set aside in the Spacing Order.

4) If a producing well on an adjacent lease is pooled with only parts of said lease as required by the State law, order, rule or regulation set aside in the Spacing Order, that pooled portion of said lease shall not be construed as valid lease production and the portion of the lease not pooled will terminate at the end of the primary term, subject to part 5 herein. Lessee will be allowed to segregate that portion of pooled acreage (not to exceed 640 acres for a gas well and 320 acres for an oil well) from the lease.

5) Any well drilled hereunder shall extend the lease term hereof for a period of five (5) years from the spud date of such well drilled. Lessee may maintain this lease in full force and effect as to all formations beyond the primary term as to all lands covered hereby so long as Lessee engages in a test well prior to the end of said five (5) year period subsequent to the spud date of such well drilled and Lessee likewise engages in or commences actual drilling operations on at least one well during each succeeding five (5) year period. Following the termination of this lease as to the undeveloped acreage pursuant to the terms hereof, it is understood and agreed that production from any well drilled hereunder shall serve to maintain this lease as to all of the acreage which continues to be covered by this lease after such termination.

6) Lessor shall have the right, at his sole risk and expense, to make a connection downstream from the wellhead, and use, free of cost gas from any producing well located on lands covered by this lease for electricity and heat for any principal dwelling or building on leased premises, provided, however, that Lessor shall use said gas for his personal use and not for any commercial purpose. Lessor further agrees to release and hold Lessee, or his assignees, harmless from any action, legal or otherwise, as a result of any losses or damages incurred by Lessor's actions regarding the connections, and the taking and/or using of said gas. A written agreement between Lessor and Lessee shall govern the specific terms of gas availability and delivery.

7) Lessee shall notify Lessor in advance of staking and building a location.

8) The location site for any well or wells on leased premises shall not exceed two acres unless agreed upon before the construction of a location.

9) At the time of staking the location, Lessee shall pay to Lessor appraisal land value price for roadway right-of-way and location site. If production is encountered, annual payment, to be determined, shall be paid to Lessor for that portion of land taken out of production. If a dry hole, payment shall be for no less than five (5) years and for any more than ten (10) years. This payment is solely for land restoration.

10) If the drilling of a well is on irrigated meadowland, drilling will be permitted from October 15 to March 1.

11) If any irrigation ditches or canals are disturbed during construction, drilling or completion, all ditches and canals will be reconstructed immediately so as not to impede the carrying capacity of the irrigation water as to the original contour of the land.

12) Upon the completion of drilling any and all wells, all drilling mud shall be removed, and the location site and access road shall be restored and re-seeded to as near as possible their original state.

13) Drilling sites will be fenced to prevent livestock from impeding operations.

14) If, or when, any portion of the land included in this lease expires, Lessee shall have the first right of refusal to lease any of the portions of the land included in this lease, which have expired. Lessor shall provide Lessee with a copy of the lease submitted to Lessor that Lessor is willing to agree to the terms thereof and sign. Lessee shall have twenty-four (24) hours after the receipt of such a lease to agree to lease under the same terms with Lessor. If Lessee agrees to lease under the same terms of the submitted lease then Lessee will mail such a lease to Lessor within five (5) working days of Lessee's agreement to lease.

SIGNED FOR IDENTIFICATION

x Kathleen A Miller

Kathleen A. Miller, a single woman

[redacted] [redacted] 110-[redacted]

PRODUCERS 88-PAID UP
Rev. 5-60, No. 2-4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of May, 19 97, by and between

Alvin 'Bud' Davison and Miriam Davison, husband and wife

whose post office address is P.O. Box 299, Pinedale, WY 82941, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc, whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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' for Land Description

See Exhibit 'B' for additional and amended lease provisions

263721

RECORDED Oct. 1, 1997 10:30A M
IN BOOK 105 OAG PAGE 312
FEES $ 17.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Souder

and containing 5173.19 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ten (five) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseshold 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 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, particulary, 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 does hereby 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 Lessors. 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 Alvin 'Bud' Davison
Alvin 'Bud' Davison

Miriam Davison
Miriam Davison
520-38-8667

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this 5th day of May 19 97, before me personally appeared
Alvin 'Bud' Davison and Miriam Davison, husband and wife

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
5/17/98

Notary Public
Residing at PINEDALE, WY

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF ..... }
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
.....

.....
Notary Public
Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF ..... }
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared
..... known to me to be the .....
of .....
the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

My commission expires:
.....

.....
Notary Public
Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Attached to and made apart of Oil and Gas lease dated May 2, 1997 between Alvin "Bud" Davison and Mariam Davison, husband and wife, Lessors, and High Plains Associates, Inc., Lessee.

Land Description:

Township 34 North, Range 110 West, 6th P.M.
Section 6: Lots 4(29.97), 5(30.52), 6(30.94), 7(31.35)

Township 34 North, Range 111 West, 6th P.M.
Section 1: Lots 1(39.92), 2(39.78), 3(39.62), 4(39.48), S/2N/2, N/2SW/4, SE/4SW/4, SE/4
Section 2: Lots 1(39.35), 2(39.26), S/2NE/4, N/2SE/4
Section 3: Lots 2(38.98), 3(38.96), 4(38.93), SW/4NE/4, S/2NW/4, SW/4, W/2SE/4
Section 4: Lots 1(38.85), 2(38.73), 3(38.59), S/2N/2, SE/4, E/2SW/4, NW/4SW/4
Section 5: SE/4NE/4, NE/4SE/4
Section 9: N/2N/2
Section 10: SW/4NE/4, NW/4, N/2SW/4, NW/4SE/4

Township 35 North, Range 110 West, 6th P.M.
Section 31: Lots 3(30.02), 4(29.94)

Township 35 North, Range 111 West, 6th P.M.
Section 25: S/2SW/4
Section 26: S/2S/2
Section 27: S/2N/2, S/2
Section 28: E/2
Section 33: E/2
Section 34: NW/4, N/2NE/4, SE/4NE/4, NE/4SE/4, N/2SW/4
Section 35: E/2, NE/4NW/4, S/2NW/4, E/2SW/4, NW/4SW/4

Township 36 North, Range 112 West, 6th P.M.
Section 25: N/2NE/4, SW/4NE/4, N/2SE/4, SE/4SE/4

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 2, 1997 BETWEEN ALVIN "BUD" DAVISON AND MARIAM DAVISON, HUSBAND AND WIFE, LESSORS AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Alvin "Bud" Davison

Mariam Davison

317

110 U 15

PRODUCERS 88—PAID UP
Rev. 5-60, No. 2—4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of May, 19 97, by and between

Norman F. Pape and Barbara Pape, husband and wife

whose post office address is Box 144, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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:

263722

RECORDED Oct. 1 1997 M
IN BOOK 103 OF 6 PAGE 317
FEES $ 17.50 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Booton

10:30A

See Exhibit 'A' for Land Description

See Exhibit 'B' for additional and amended lease provisions

and containing 5173.19 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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 Norman F. Pape
Norman F. Pape
520-34-9029

X Barbara J. Pape
Barbara Pape

[redacted] [redacted] [redacted]

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF ...Wyoming.....
} ss.
COUNTY OF...Sublette.....

On this ...5th..... day of .....May..... 19 ...97..., before me personally appeared

....Norman F. Pape and Barbara Pape, husband and wife.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

NOTARY PUBLIC SUBLETTE COUNTY, WYOMING

My commission expires:

.....5/19/98.....

.....Notary Public

Residing at ...Pinedale, WY.....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF.....
} ss.
COUNTY OF.....

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....

Notary Public

My commission expires:

.....

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF.....
} ss.
COUNTY OF.....

On this ..... day of ..... 19 ....., before me personally appeared

.....known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....

Notary Public

My commission expires:

.....

Residing at .....

RECORDING DATA

318

EXHIBIT 'A'

Attached to and made apart of Oil and Gas lease dated May 2, 1997 between Norman F. Pape and Barbara Pape, husband and wife, Lessors, and High Plains Associates, Inc., Lessee.

Land Description:

Township 34 North, Range 110 West, 6th P.M.
Section 6: Lots 4(29.97), 5(30.52), 6(30.94), 7(31.35)

Township 34 North, Range 111 West, 6th P.M.
Section 1: Lots 1(39.92), 2(39.78), 3(39.62), 4(39.48), S/2N/2, N/2SW/4, SE/4SW/4, SE/4
Section 2: Lots 1(39.35), 2(39.26), S/2NE/4, N/2SE/4
Section 3: Lots 2(38.98), 3(38.96), 4(38.93), SW/4NE/4, S/2NW/4, SW/4, W/2SE/4
Section 4: Lots 1(38.85), 2(38.73), 3(38.59), S/2N/2, SE/4, E/2SW/4, NW/4SW/4
Section 5: SE/4NE/4, NE/4SE/4
Section 9: N/2N/2
Section 10: SW/4NE/4, NW/4, N/2SW/4, NW/4SE/4

Township 35 North, Range 110 West, 6th P.M.
Section 31: Lots 3(30.02), 4(29.94)

Township 35 North, Range 111 West, 6th P.M.
Section 25: S/2SW/4
Section 26: S/2S/2
Section 27: S/2N/2, S/2
Section 28: E/2
Section 33: E/2
Section 34: NW/4, N/2NE/4, SE/4NE/4, NE/4SE/4, N/2SW/4
Section 35: E/2, NE/4NW/4, S/2NW/4, E/2SW/4, NW/4SW/4

Township 36 North, Range 112 West, 6th P.M.
Section 25: N/2NE/4, SW/4NE/4, N/2SE/4, SE/4SE/4

[redacted] [redacted] [redacted]

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 2, 1997 BETWEEN NORMAN F. PAPE AND BARBARA J. PAPE, HUSBAND AND WIFE, LESSORS AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

EXHIBIT "B"
Page 2

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Norman F. Pape

Barbara J. Pape

[redacted]

[redacted]

110 [redacted]D

PRODUCERS 88 PAID UP
Rev. 5 60, No. 2 -4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of May, 19 97, by and between

Frederick W. Pape and M. Michelle Pape, husband and wife

whose post office address is Box 144, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 34 North, Range 111 West, 6th P.M.
Section 4: Lot 4(38.47), SW/4SW/4
Section 5: Lots 1(38.54), 2(38.83), 3(39.11), 4(39.40), SW/4NE/4, S/2NW/4, NE/4SW/4, NW/4SE/4, ~~less an 11.30 acre tract more fully described in Warranty Deed recorded in Book 17 deeds, Page 224, dated 9-5-74.~~

263723

Township 35 North, Range 111 West, 6th P.M.
Section 28: East 30 feet of E/2SW/4
Section 32: E/2SE/4, SW/4SE/4, SE/4SW/4
Section 33: W/2SW/4, East 30 feet of E/2W/2

RECORDED Oct. 1, 1997 M 10:30 A.
IN BOOK 105 0+6 PAGE 322
FEES $ 12.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Pat Barton

and containing 679.2046 668.5046 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ five (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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.

See Exhibit 'A' for additional and amended lease provisions.

X Frederick W. Pape
Frederick W. Pape
520-86-5802

X M. Michelle Pape
M. Michelle Pape

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF ...Wyoming.....
COUNTY OF ...Sublette.....} ss.

On this ...12th..... day of ....June..... 19 ...97..., before me personally appeared

. Frederick W. Pape and M. Michelle Pape, husband and wife .....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....Mary.....
Notary Public

My commission expires:
...5/17/98.....

Residing at ...Pinedale, Wyoming.....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF.....
COUNTY OF.....} ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:
.....

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF.....
COUNTY OF.....} ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:
.....

Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 2, 1997 BETWEEN FREDERICK W. PAPE AND M. MICHELLE PAPE, LESSORS, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Frederick W. Pape

M. Michelle Pape

[redacted]

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Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of May, 19 97, by and between David W. Pape and Naomi I. Pape, husband and wife

whose post office address is Box 144, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 34 North, Range 111 West, 6th P.M.
Section 4: Lot 4(38.47), SW/4SW/4
Section 5: Lots 1(38.54), 2(38.83), 3(39.11), 4(39.40), SW/4NE/4, S/2NW/4
NE/4SW/4, NW/4SE/4, ~~less an 11.30 acre tract more fully described in Warranty Deed Book 17 deeds, Page 224, dated 9-5-74.~~

Township 35 North, Range 111 West, 6th P.M.
Section 28: East 30 feet of E/2SW/4
Section 32: E/2SE/4, SW/4SE/4, SE/4SW/4
Section 33: W/2SW/4, East 30 feet of E/2W/2

263724

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IN BOOK 105 Q46 PAGE 326
FEES $ 12.00
SUBLETTE COUNTY CLERK
By Patti Cooper

679.8046
~~660.5046~~ acres, more or less.

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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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.

See Exhibit 'A' for additional and amended lease provisions.

x David W. Pape
David W. Pape
520-88-58-51

x Naomi I. Pape
Naomi I. Pape

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF ..... Wyoming .....
} ss.
COUNTY OF ... Sublette .....

On this ... 12TH ..... day of .... June ..... 19 ..97...., before me personally appeared
. David W. Pape and Naomi I. Pape, husband and wife .....
.....
known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
.... 5/17/98 .....

..... Notary Public
Residing at .. Pinedale, WY .....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
} ss.
COUNTY OF .....

On this ..... day of ..... 19 ....., before me personally appeared
.....
.....
known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
.....

..... Notary Public
Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
} ss.
COUNTY OF .....

On this ..... day of ..... 19 ....., before me personally appeared
..... known to me to be the .....
of .....
the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

..... Notary Public
My commission expires:
.....

Residing at .....

RECORDING DATA

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 2, 1997 BETWEEN DAVID W. PAPE AND NAOMI I. PAPE, LESSORS, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

David W. Pape

Naomi I. Pape

PRODUCT[redacted] UP

[redacted]

[redacted]

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of May, 19 97, by and between Mary M. Meeks, Trustee Under Declaration of Trust dated 6-12-79 whose post office address is 333 North Bridger Avenue, Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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" for land description

263725

10:30a

RECORDED Oct. 1, 1997 M
IN BOOK 105 OF 6 PAGE 330
FEES $14.50 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Socken

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 4770.70 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

X Mary M. Meeks

Mary M. Meeks, Trustee under declaration of Trust dated 6-12-79

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 25 day of June, 19 97 personally appeared Mary M. Meeks, Trustee under Declaration of Trust dated 6-12-79

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 she duly executed the same as her free and voluntary act and deed for the 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 12-10-97

EILEEN HUBBARD - NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
My Commission Expires Dec. 10, 1997

Eileen Hubbard
Notary Public.

Address: Pinedale Wy.

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

_____
Notary Public.

Address: _____

EXHIBIT "A"

Attached to and made apart of that certain Oil and Gas Lease dated May 5, 1997, between Mary M. Meeks, Trustee under Declaration of Trust dated 6-12-79, Lessor, and High Plains Associates, Inc., Lessee.

TRACT #1

Township 32 North, Range 112 West, 6th P.M.
Section 10: Lots 1(27.07), 2(25.47), 3(23.85)

Township 33 North, Range 112 West, 6th P.M.
Section 35: W/2, SW/4NE/4, SE/4

Township 33 North, Range 113 West, 6th P.M.
Section 4: Lots 1(38.83), 2(38.65), S/2NE/4

Township 34 North, Range 113 West, 6th P.M.
Section 17: SW/4NW/4, N/2SW/4
Section 18: Lots 3(35.72), 4(35.86), SE/4NE/4, W/2NE/4, E/2NW/4, E/2SW/4, SW/4SE/4, NE/4SE/4
Section 20: SW/4NE/4, E/2SW/4, SE/4
Section 21: SE/4NE/4, W/2SW/4, NE/4SW/4, NW/4SE/4
Section 29: SW/4SE/4
Section 32: NE/4, N/2SE/4, SE/4SE/4
Section 33: SW/4, SW/4SE/4

Containing 2305.45 acres, more or less.

TRACT #2

Township 34 North, Range 112 West, 6th P.M.
Section 5: S/2SW/4, NW/4SW/4
Section 6: Lots 5(38.51), 6(38.55), 7(38.60), SE/4, E/2SW/4, SE/4NW/4
Section 7: Lots 1(38.65), 2(38.72), 3(38.78), 4(38.85), NE/4, W/2SE/4, NE/4SE/4, E/2NW/4, E/2SW/4
Section 8: NW/4, NW/4SW/4
Section 18: Lots 1(38.89), 2(38.90), 3(38.92), 4(38.93), E/2NW/4, W/2NE/4, NW/4SE/4, NE/4SW/4
Section 19: Lot 1(38.95), NE/4NW/4

Township 34 North, Range 113 West, 6th P.M.
Section 1: S/2NE/4, N/2SE/4, SE/4SE/4
Section 12: SE/4, SE/4NE/4
Section 13: NE/4, N/2SE/4, SE/4SE/4

Containing 2465.25 acres, more or less

333

1102/1A

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of May, 19 97, by and between Mary M. Meeks, a widow.

whose post office address is 333 North Bridger Avenue, Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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:

263726

RECORDED Oct. 1 1997 10:30 M
IN BOOK 103 016 PAGE 333
FEES $8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
COUNTY CLERK
By Cathy Zaden

Township 33 North, Range 113 West, 6th P.M.
Section 3: Lots 3, 4, SW/4NW/4, NW/4SW/4
Section 10: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 11: S/2NW/4, N/2SW/4
Township 34 North, Range 113 West 6th P.M.
Section 15: W/2SE/4, S/2SW/4
Section 22: N/2NW/4, SW/4NW/4
Section 29: NW/4NE/4
Section 34: E/2SW/4

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 878.19 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5(five) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

Mary M. Meeks

516-34-3055

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 _____ day of May, 1997 personally appeared Mary M. Meeks

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 she duly executed the same as her free and voluntary act and deed for the 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 12-10-97

EILEEN HUBBARD - NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
My Commission Expires Dec. 10, 1997

Eileen Hubbard
Notary Public.

Address: Box 1388 Pinedale, WY

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

Notary Public.

Address: _____

335

110240

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of June, 1997, by and between John Robert Kvamme, a married man dealing in his sole and separate property whose post office address is 237 Sunflower Casper, WY 82604 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 500, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "all oil and gas" or "hydrocarbons") 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 attached EXHIBIT "A" for Addendum and Legal Description

263727

RECORDED Oct. 1 1997 M 10:30 A J.R.K.
IN BOOK 105 016 PAGE 335
FEES $ 12.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING By Cathy Souder

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2747.25 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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 Lessor 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

J.R.K.

J.R.K

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. Preferential Right. If, during the term of this lease (but not more than 30 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or subsurface covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessee shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 John Robert Kvenild

John Robert Kvenild, a married man dealing in his sole and separate property

S.S.# 520-44-8753

STATE OF Wyoming

COUNTY OF Natrona ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13 day of June, 1997,

personally appeared John Robert Kvenild, a married man dealing in his sole and separate property

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 duly executed the same as his free and voluntary act and deed for the 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.

ALICE L. MCCAIN NOTARY PUBLIC COUNTY OF NATRONA STATE OF WYOMING MY COMMISSION EXPIRES FEBRUARY 24, 1999

Alice L McCain
Notary Public

Address: 290 Vacay Dr
Casper 82604

STATE OF

COUNTY OF ss.

CORPORATE
(For use in all states)

On this day of , A.D. 19 , before me personally appeared to me personally known, who, being by me

Witness my hand and seal this day of AD., 19 .

My Commission Expires

Notary Public

Address:

Exhibit "A"
Attached to and made a part of a certain
Oil & Gas Lease dated June 2, 1997 by and between
John Robert Kvenild, as Lessor, and High Plains Associates, Inc., as Lessee.

ADDENDUM

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

LEGAL DESCRIPTION

Township 34 North, Range 112 West, 6th P.M.
Section 14: SW/4

Township 33 North, Range 113 West, 6th P.M.
Section 3: Lots 3(39.18), 4(39.01), SW/4NW/4, NW/4SW/4
Section 4: Lots 1(38.83), 2(38.65), S/2NE/4
Section 10: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 11: S/2NW/4, N/2SW/4

Township 34 North, Range 113 West, 6th P.M.
Section 15: W/2SE/4, S/2SW/4
Section 17: SW/4NW/4, N/2SW/4
Section 18: Lots 3(35.72), 4(35.86), SE/4NE/4, W/2NE/4, E/2NW/4, E/2SW/4, SW/4SE/4, NE/4SE/4
Section 20: SW/4NE/4, E/2SW/4, SE/4
Section 21: SE/4NE/4, W/2SW/4, NE/4SW/4, NW/4SE/4
Section 22: W/2NW/4, NE/4NW/4
Section 29: SW/4SE/4, NW/4NE/4
Section 32: NE/4, N/2SE/4, SE/4SE/4
Section 33: SW/4, SW/4SE/4
Section 34: E/2SW/4

Containing 2,747.25 Acres, more or less.
Sublette County, Wyoming

J.R.K.

PRODUCERS 88 PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of June, 19 97, by and between William J. Kvenild, a married man dealing in his sole and separate property whose post office address is 1155 Frontera Drive Laramie, WY 82072 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 attached EXHIBIT "A" for Addendum and Legal Description

263728

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IN BOOK 105 OPR PAGE 338
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

W.J.K.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2747.25 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or on acreage pooled, communitized or unitized therewith; this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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 such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary action to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

WJK WJK

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.

WJK W.J.K.

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 William J Kvenild S.S.# 520-44-8754

William J. Kvenild, a married man dealing in his sole and separate property

STATE OF Wyoming
COUNTY OF Albany

ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13th day of June, 19 97, personally appeared William J. Kvenild, a married man dealing in his sole and separate property 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 duly executed the same as his free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Mar. 4, 2001

CARI WARREN-NOTARY PUBLIC
County of Albany — State of Wyoming
My Commission Expires Mar. 4, 2001

Cari Warren
Notary Public

Address: Laramie, WY

STATE OF _____
COUNTY OF _____

ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

_____
Notary Public

Address: _____

Exhibit "A"
Attached to and made a part of a certain
Oil & Gas Lease dated June 2, 1997 by and between
William J. Kvenild, as Lessor, and High Plains Associates, Inc., as Lessee.

ADDENDUM

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

LEGAL DESCRIPTION

Township 34 North, Range 112 West, 6th P.M.
Section 14: SW/4

Township 33 North, Range 113 West, 6th P.M.
Section 3: Lots 3(39.18), 4(39.01), SW/4NW/4, NW/4SW/4
Section 4: Lots 1(38.83), 2(38.65), S/2NE/4
Section 10: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 11: S/2NW/4, N/2SW/4

Township 34 North, Range 113 West, 6th P.M.
Section 15: W/2SE/4, S/2SW/4
Section 17: SW/4NW/4, N/2SW/4
Section 18: Lots 3(35.72), 4(35.86), SE/4NE/4, W/2NE/4, E/2NW/4, E/2SW/4, SW/4SE/4, NE/4SE/4
Section 20: SW/4NE/4, E/2SW/4, SE/4
Section 21: SE/4NE/4, W/2SW/4, NE/4SW/4, NW/4SE/4
Section 22: W/2NW/4, NE/4NW/4
Section 29: SW/4SE/4, NW/4NE/4
Section 32: NE/4, N/2SE/4, SE/4SE/4
Section 33: SW/4, SW/4SE/4
Section 34: E/2SW/4

Containing 2,747.25 Acres, more or less.
Sublette County, Wyoming

W. J. K.

110 N.S. A

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 11th day of April, 19 97, by and between William H. Reisner, Jr. and Joan S. Reisner, husband and wife whose post office address is 6520 Old Ranch Road, Colorado Springs, CO 80908 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden St., Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 MADE A PART HEREOF.

263729

RECORDED Oct. 1, 1997 10:30 A M
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FEES $ 10.00 CONT CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cheryl Sexton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 118.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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.

William H. Reisner, Jr.
SSN: 219-07-0808

Joan S. Reisner

STATE OF Colorado

COUNTY OF El Paso ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 11th day of April, 1997, personally appeared William H. Reisner and Joan S. Reisner, husband and wife 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 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 2/24/2000

Notary Public
Address: 48 S. Cascade Ste 250 CO

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

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.

Witness my hand and seal this _____ day of _____ AD., 19____.

My Commission Expires _____

Notary Public
Address: _____

"Exhibit A"

Attached hereto and made a part of that certain oil and gas lease dated April 11, 1997, between William H. Reisner, Jr. and ~~Nora~~ JOAN S. Reisner, husband and wife, as Lessors and High Plains Associates, Inc., as Lessee.

TOWNSHIP 33 North, Range 109 West

Section 13: The East half of the Southeast Quarter (E/2SE/4)

Section 24: That part of the W/2W/2NW/4 of Section 24, T33N-R109W, described as follows: Beginning at the NW/corner of said Section 24; Thence South89degrees52minutes, 619.60 feet to a point; Thence South00degrees22minutes, 2618.84 feet along the east line of that certain tract of record in the Office of the Clerk of Sublette County in Book 22 of Deeds on page 241, to a point; Thence continuing 00degrees22minutes West, 50.00 feet to the interesection with the south line of said W/2W/2NW/4; Thence North89degrees31.5minutes West, 621.97 feet along the south line to the west one-quarter corner of said Section 24; Thence North 00degrees25minutes East, 2665.14 feet aling the West line of said Section 24 to the corner of Beginning.

Sublette County, Wyoming
Containing 118.00 acres, more or Less

SIGNED FOR IDENTIFICATION BY:

William H. Reisner, Jr.

~~Nora~~ JOAN S. Reisner

PRODUCT[redacted] UP [redacted] 110[redacted]

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 15th day of May, 19 97, by and between John Perry Barlow whose post office address is 168 South Franklin, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, Colorado 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More ($10.00) 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 NORTH, RANGE 113 WEST, 6th, P.M.

Section 1: SW¼
Section 11: E½ & N½SW¼
Section 12: W½
Section 13: NW¼ & NE¼SW¼
Section 14: NE¼

263730

RECORDED Oct. 1 1997 M 10:30a.
IN BOOK 105016 PAGE 344
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Gordon

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1240.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

John Perry Barlow
SSN: 520-50-1362

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 15th day of May, 19 97 personally appeared John Perry Barlow

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 he duly executed the same as his free and voluntary act and deed for the 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 2/18/98

TRACEY L. FIELDS NOTARY PUBLIC SUBLETTE CO. WYO.

Tracey L Fields Hoare
Notary Public.

Address: Box 250, Pinedale WY 82941

STATE OF _____ }
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____.

Notary Public.

Address: _____

1104963

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 30th day of May, 19 97, by and between Steve Kanski and Janice Kanski, husband and wife whose post office address is 330 Islander Lane, Lake Havasu City, AZ 86403 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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' for land description

263731

RECORDED Oct. 1, 1997 10:30 A.M.
IN BOOK 105 OF 6 PAGE 346
FEES $ 10.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2034.52 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

x Steve Kanski
Steve Kanski
SS# 501 26 [redacted] 2573

x Janice Kanski
Janice Kanski
520-40-5579

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 17th day of June, 1997 personally appeared Steve Kanski and Janice Kanski, husband and wife

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 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 2/21/1999

SUSAN GULBRANDSON NOTARY PUBLIC SUBLETTE COUNTY, WYOMING

Susan Gulbrandson
County of
Sublette
My Commission Expires
Notary Public
State of
Wyoming
Feb. 21, 1999

Susan Gulbrandson
Notary Public.

Address: Sublette Co., WY 82941

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

Notary Public.

Address: _____

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Attached to and made apart of that Oil and Gas Lease dated May 30, 1997, between Steve Kanksi and Janice Kanski, husband and wife, Lessors, and High Plains Associates, Inc., Lessee.

Township 34 North, Range 112 West, 6th P.M.
Section 5: NW/4SW/4, S/2SW/4
Section 6: Lots 6(38.55), 7(38.60), E/2SW/4, SE/4
Section 7: Lots 1(38.65), 2(38.72), E/2NW/4, NE/4
Section 8: NW/4

Township 34 North, Range 113 West, 6th P.M.
Section 11: E/2, N/2SW4
Section 12: SE/4NE/4, W/2
Section 13: NW/4, NE/4SW/4
Section 14: NE/4

containing 2034.52 acres, more or less.

Signed for identification.

Steve Kanski
Steve Kanski

Janice Kanski
Janice Kanski

PRODUCERS 88-PAID UP

349

11349C

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 15th day of May, 19 97, by and between Miriam Jenking Bailey, a widow whose post office address is 900 Donner Way - Apt. 304, Salt Lake City, Utah 84108 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, Colorado 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (10.00) 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 NORTH, RANGE 113 WEST, 6th P.M.

Section 1: SW¼
Section 11: E½ & N½SW¼
Section 12: W½
Section 13: NW¼ & NE¼SW¼
Section 14: NE¼

2637:32

10:30A

RECORDED Oct. 1 1997 M
IN BOOK 105 016 PAGE 349
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1240.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

[redacted] [redacted] [redacted]

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 Miriam Jenkins Bailey

Miriam Jenkins Bailey
SSN: 520-46-8356

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 6th day of June, 19 97 personally appeared Miriam Jenkins Bailey, a widow

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 she duly executed the same as her free and voluntary act and deed for the 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 12-14-2000

NOTARY PUBLIC
MARY E TIPPETTS
Washington Federal Savings
1442 Foothill Dr
Salt Lake City, UT 84108
My Commission Expires 12/14/2000
STATE OF UTAH

Mary E Tippetts
Notary Public.

Address: Salt Lake City, Utah

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

Notary Public.

Address: _____

PRODUCERS 88-PAID UP

351

1105 EN

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 31st day of July, 19 97, by and between Ruth E. Oliver, formerly Ruth E. Wilson, a married woman dealing in her sole and separate property and Gary S. Wilson, a single man whose post office address is 474 Onyx, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, Colorado 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (10.00) 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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:

263733

RECORDED Oct. 1, 1997 10:30 A M
IN BOOK 105 OR PAGE 351
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and

containing 620.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

[redacted] [redacted] [redacted]

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.

Ruth E. Oliver
Ruth E. Oliver, formerly Ruth E. Wilson
SSN:

Gary S. Wilson
Gary S. Wilson
SSN:

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 31st day of July, 19 97 personally appeared Ruth E. Oliver, formerly Ruth E. Wilson, a married woman dealing in her sole and separate property and Gary S. Wilson, a single man

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 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 12/12/98

SUSAN J. HANSON - NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 12, 1998

Susan J. Hanson
Notary Public
Address: Pinedale WY

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

Notary Public.

Address: _____

EXHIBIT "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated July 31, 1997, by and between Ruth E. Oliver, fromerly Ruth E. Wilson, a married woman dealing in her sole and separate property and Gary S. Wilson, a single man, as Lessors and High Plains Associates, Inc., as Lessee.

TOWNSHIP 34 NORTH, RANGE 109 WEST, 6th PM

Section 8: SE/4

Section 9: That part of the West-half of the Southwest Quarter of Section 9, more particularly described as follows:
Beginning at the West quarter corner of Section 9 and proceeding Easterly along the North line of the South-half of said Section 9, a distance of 772 feet; thence proceeding South 06degrees30minutes East the South line of Section 9, thence West to the Southwest corner of Swection 9, thence North to the point of beginning. Containing 60 acres, more or less.

Section 17: NE/4 & E/2SE/4

Section 21: NW/4

Containing 620.00 acres, more or less
Sublette County, Wyoming

Signed For Identification

Ruth E Oliver
Ruth E. Oliver

Gary S Wilson
Gary S. Wilson

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 24th day of July, 19 97, by and between Nancy Reinwald, a married woman dealing in her sole and separate property whose post office address is 219 Wyman Lane, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, Colorado 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (10.00) 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 MADE A PART HEREOF.

263734

RECORDED Oct. 1 1997 10:30 A
IN BOOK 105 046 PAGE 354
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 980.64 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

Nancy Reinwald

Nancy Reinwald
SSN: 529-50-1779

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 24th day of July, 19 97 personally appeared Nancy Reinwald, a married woman dealing in her sole and separate property

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 she duly executed the same as her free and voluntary act and deed for the 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 4/24/2000

NOTARY PUBLIC — SUBLETTE COUNTY, WY

Bethany A. Bones
Notary Public.

Address: Pinedale, Wy

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

Notary Public.

Address: _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated July 24, 1997, by and between the Nancy Reinwald, a married woman dealing with her sole and separate property, as Lessor and High Plains Associates, Inc., as Lessee.

TOWNSHIP 34 NORTH, RANGE 109 WEST, 6th PM

Section 6: Lot 1 (40.64), SE/4NE/4 & E/2SE/4
Section 8: SE/4
Section 9: That part of the West-half of the Southwest Quarter of Section 9, more particularly described as follows:
Beginning at the West quarter corner of Section 9 and proceeding Easterly along the North line of the South-half of said Section 9, a distance of 772 feet; thence proceeding South 06degrees30minutes East to the South line of Section 9, thence West to the Southwest corner of Swection 9, thence North to the point of beginning.
Containing 60 acres, more or less.

Section 17: NE/4 & E/2SE/4
Section 21: NW/4

TOWNSHIP 35 NORTH, RANGE 109 WEST, 6th PM

Section 31: E/2SE/4
Section 32: W/2NW/4 & NW/4SW/4

Containing 980.64 acres, more or less
Sublette County, Wyoming

1. If this lease is beyond the primary term and would expire by its terms except for the fact that acreage subject to the lease is pooled, communitized or unitized for production or that Lessee is engaged in drilling or reworking operations on the leased premises, then upon written request by Lessor, Lessee shall release all acreage subject to the lease which is not pooled, cummunitized or unitized for production or upon which Lessee is not engaged in drilling or reworking operations.

   This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

Signed For Identification

Nancy Reinwald
Nancy Reinwald

357

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 12th day of August, 19 97, by and between Sally Johnsen A/K/A Sally Johnson, a married woman dealing in her sole and separate property whose post office address is 14011 South Sands Road, Valleyford, Washington 99036 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, Colorado 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More (10.00) 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 MADE A PART HEREOF.

263735

10:30A

RECORDED Oct. 1 1997 M
IN BOOK 105 046 PAGE 357
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
Ray Cook Carter

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 900.64 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

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 Sally Johnsen
Sally Johnsen
SSN: 529-50-1778

STATE OF WASHINGTON
COUNTY OF Spokane } 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 12th day of August, 19 97 personally appeared Sally Johnsen A/K/A Sally Johnson, a married woman dealing in her sole and separate property 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 she duly executed the same as her free and voluntary act and deed for the 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 1-26-2000

Ronda R. Ives
Notary Public.

Address: 907 N Dora
Spokane, WA

RONDA R. IVES NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES JANUARY 26, 2000

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

Notary Public.

Address: _____

EXHIBIT "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated August 12, 1997, by and between Sally Johnsen, A/K/A Sally Johnson, a married woman dealing in her sole and separate property, as Lessor and High Plains Associates, Inc., as Lessee.

TOWNSHIP 34 NORTH, RANGE 109 WEST, 6th PM

Section 6: Lot 1 (40.64), SE/4NE/4
Section 8: SE/4
Section 9: That part of the West-half of the Southwest Quarter of Section 9, more particularly described as follows:
Beginning at the West quarter corner of Section 9 and proceeding Easterly along the North line of the South-half of said Section 9, a distance of 772 feet; thence proceeding South 06degrees30minutes East to the South line of Section 9, thence West to the Southwest corner of Section 9, thence North to the point of beginning.
Containing 60 acres, more or less.
Section 17: NE/4 & E/2SE/4
Section 21: NW/4

TOWNSHIP 35 NORTH, RANGE 109 WEST, 6th PM

Section 31: E/2SE/4
Section 32: W/2NW/4 & NW/4SW/4

Containing 900.64 Acres, M/L
Sublette County, Wyoming

1. If this lease is beyond the primary term and would expire by its terms except for the fact that acreage subject to the lease is pooled, communitized or unitized for production or that Lessee is engaged in drilling or reworking operations on the leased premises, then upon written request by Lessor, Lessee shall release all acreage subject to the lease which is not pooled, cummunitized or unitized for production or upon which Lessee is not engaged in drilling or reworking operations.

This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

Signed For Identification

X Sally Johnsen
Sally Johnsen

[redacted] [redacted] [redacted]

PRODUCERS 88 PAID UP
Rev. 5-60, No. 2--4 89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of May, 1997, by and between

Norman F. Pape and Barbara J. Pape, husband and wife

whose post office address is Box 144, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 36 North, Range 111 West, 6th P.M.
Section 2: Lots 3(34.24), 4(34.38), NE/4SW/4, S/2NW/4, SW/4NE/4, less and except that part of a metes and bounds description falling in the ~~SW/4NE/4~~ NE/4 SW/4 containing 3.12 acres, more or less, more fully described in Warranty Deed recorded 2-11-77 in Book 19, Page 118.
Section 3: Lot 1(34.45), SE/4NE/4

B.P.
N.E.P.

SEE EXHIBIT "A" FOR ADDITIONAL AND AMENDED LEASE PROVISIONS

and containing 299.95 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseholder 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 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, particulary, 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 Lessors. 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 Norman F. Pape
Norman F. Pape
520-34-9029

X Barbara J. Pape
Barbara J. Pape

263736

RECORDED Oct. 1, 1997 M
IN BOOK 105 ONG PAGE 360
FEES $ 12.00
SUBLETTE COUNTY, PINEDALE, WYOMING
COUNTY CLERK
By Cathy Sutton

10:20 A

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this 12th day of June 19 97, before me personally appeared Norman F. Pape and Barbara J. Pape, husband and wife

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
5/17/98

Notary Public

Residing at Pinedale, Wyoming

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

..... known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 28, 1997 BETWEEN NORMAN F.PAPE AND BARBARA J. PAPE, HUSBAND AND WIFE, LESSORS, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Norman F. Pape
NORMAN F. PAPE

Barbara J. Pape
BARBARA J. PAPE

[redacted] [redacted] [redacted]

110[illegible]

PROD[illegible] ..48—PAID UP
Rev. 5-60, No. 2-4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of May 19 97, by and between

Earl Babcock and Nadine Babcock, husband and wife

whose post office address is 10555 East Arrowvale Road, Sun Lakes, AZ 85248, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 36 North, Range 111 West, 6th P.M.
Section 2: Lots 3(34.24), 4(34.38), NE/4SW/4, S/2NW/4, SW/4NE/4, less and except that part of a metes and bounds description falling in the ~~SW/4NE/4~~ NE4SW/4 containing 3.12 acres, more or less, more fully described in Warranty Deed recorded 2-11-77 in Book 19, Page 118. EJB n.f.b.
Section 3: Lot 1(34.45), SE/4NE/4

SEE EXHIBIT "A" FOR ADDITIONAL AND AMENDED LEASE PROVISIONS

and containing 299.95 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five(5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseshold 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 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, particulary, 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 Lessors. 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 Earl Babcock
Earl Babcock

x Nadine Babcock
Nadine Babcock

263737

10:30A

RECORDED Oct. 1 1997 M
IN BOOK 105 OR 8 PAGE 364
FEES $ 7.50 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Buxton

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette, } ss.

On this 12 day of June 19 97, before me personally appeared

Earl Babcock and Nadine Babcock, husband and wife

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

Joyce J. Johnson
Notary Public

My commission expires:

2-2-2000

Residing at Sublette County, Wyo.

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

..... known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Attached to and made apart of Oil and Gas Lease dated May 2, 1997 between Earl Babcock and Nadine Babcock, husband and wife, Lessors, and High Plains Associates, Inc., Lessee.

Land Description:

Township 34 North, Range 110 West, 6th P.M.
Section 6: Lots 4(29.97), 5(30.52), 6(30.94), 7(31.35)

Township 34 North, Range 111 West, 6th P.M.
Section 1: Lots 1(39.92), 2(39.78), 3(39.62), 4(39.48), S/2N/2, N/2SW/4, SE/4SW/4, SE/4
Section 2: Lots 1(39.35), 2(39.26), S/2NE/4, N/2SE/4
Section 3: Lots 2(38.98), 3(38.96), 4(38.93), SW/4NE/4, S/2NW/4, SW/4, W/2SE/4
Section 4: Lots 1(38.85), 2(38.73), 3(38.59), S/2N/2, SE/4, E/2SW/4, NW/4SW/4
Section 5: SE/4NE/4, NE/4SE/4, ~~and a 11.30 acre tract located in the S/2NW/4 more fully described in Warranty Deed in Book 17 Deeds, Page 224, dated 9-5-74, recorded 9-5-74~~. E&B N.F.B.
Section 9: N/2N/2
Section 10: SW/4NE/4, NW/4, N/2SW/4, NW/4SE/4

Township 35 North, Range 110 West, 6th P.M.
Section 31: Lots 3(30.02), 4(29.94)

Township 35 North, Range 111 West, 6th P.M.
Section 25: S/2SW/4
Section 26: S/2S/2
Section 27: S/2N/2, S/2
Section 28: E/2
Section 33: E/2
Section 34: NW/4, N/2NE/4, SE/4NE/4, NE/4SE/4, N/2SW/4
Section 35: E/2, NE/4NW/4, S/2NW/4, E/2SW/4, NW/4SW/4

Township 36 North, Range 112 West, 6th P.M.
Section 25: N/2NE/4, SW/4NE/4, N/2SE/4, SE/4SE/4

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 2, 1997 BETWEEN EARL BABCOCK AND NADINE BABCOCK, HUSBAND AND WIFE, LESSORS AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Earl Babcock
570-74-8284

Nadine Babcock
282-50-8792

OFFICIAL SEAL
DONNA J. BOBIER
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Mar. 27, 1999

5-6-97

369.

110579E

PRODUCERS 82 PAID UP
Rev. 5-60, No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of May, 19 97., by and between

Karmen Marincic, a widow

whose post office address is Box 128, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 36 North, Range 111 West, 6th P.M.
Section 2: Lots 3(34.24), 4(34.38), NE/4SW/4, S/2NW/4, SW/4NE/4, less and except that part of a metes and bounds description falling in the ~~SW/4NE/4~~ NE/4SW/4 containing 3.12 acres more fully described in Warranty Deed recorded 2-11-77 in Book 19, Page 118.
Section 3: Lot 1(34.45), SE/4NE/4

SEE EXHIBIT "A" FOR ADDITIONAL AND AMENDED LEASE PROVISIONS

and containing 299.95 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~10~~ Five (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseholder 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 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, particulary, 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 Lessors. 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 Karmen Marincic
Karman Marincic, a widow

263738

RECORDED Oct. 1 1997 M
IN BOOK 106 OTG PAGE 369
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

10:30a

[redacted] [redacted] [redacted]

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this ..... day of ..... 19 97 ..., before me personally appeared
Karmen Marincic, a widow
.....
.....
known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

BETHANY ANN BONIS NOTARY SUBLETTE COUNTY WY

My commission expires: 4/8/2000

Bethany A. Bonis
Notary Public

Residing at Pinedale, Wy

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared
.....
.....
known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared
..... known to me to be the .....
of .....
the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

RECORDING DATA

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 28, 1997 BETWEEN KARMEN MARINCIC, A WIDOW, LESSOR, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

KARMEN MARINCIC

373

110570

PRODUCERS 88--PAID UP
Rev. 5 60..No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of May, 19 97, by and between

Alvin 'Bud' Davison and Miriam Davison, husband and wife

whose post office address is P.O. Box 299, Pinedale, WY 82941, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 36 North, Range 111 West, 6th P.M.
Section 2: Lots 3(34.24), 4(34.38), NE/4SW/4, S/2NW/4, SW/4NE/4
Section 3: Lot 1(34.45), SE/4NE/4

SEE EXHIBIT "A" FOR ADDITIONAL AND AMENDED LEASE PROVISIONS

and containing 303.07 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ Five (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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 Alvin Bud Davison
Alvin 'Bud' Davison

x Miriam L. Davison
Miriam Davison

263739

RECORDED Oct. 1, 1997 10:30A M
IN BOOK 105016 PAGE 373
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cath Sexton

[redacted] [redacted] [redacted]

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this ..... day of ..... 19 97 ...., before me personally appeared
Alvin 'Bud' Davison and Miriam Davison, husband and wife

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

Bethany A. Bonis
Notary Public

My commission expires:
4/24/2000

Residing at Pinedale, Wy

BETHANY ANN BONIS NOTARY PUBLIC SUBLETTE COUNTY, WYOMING

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

known to me to be the

of

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:

Residing at .....

RECORDING DATA

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 28, 1997 BETWEEN ALVIN 'BUD' DAVISON AND MIRIAM DAVISON, HUSBAND AND WIFE, LESSORS, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

ALVIN 'BUD' DAVISON

MIRIAM DAVISON

377

110004

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of June, 19 97, by and between Lawrence W. Shaul and Vivian M. Shaul, husband and wife whose post office address is 564 South Fremont, Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 North, Range 112 West, 6th P. M.
Section 4: S/2SW/4, SW/4SE/4
Section 5: S/2SE/4
Section 8: NE/4
Section 9: NE/4, N/2NW/4, SE/4NW/4
Section 11: E/2NE/4, NE/4SW/4, SE/4
Section 12: SW/4NE/4, W/2, W/2SE/4, SE/4SE/4
Section 13: N/2, SW/4, E/2SE/4
Section 14: NE/4NE/4

263740

RECORDED Oct. 1, 1997 10:30 M
IN BOOK 105 OR PAGE 377
FEES $ 8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Gordon

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and

containing 2000.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

x Lawrence W. Shaul
Lawrence W. Shaul

x Vivian M. Shaul
Vivian M. Shaul

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 5th day of June, 19 97 personally appeared Lawrence W. Shaul and Vivian M. Shaul, husband and wife

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 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 7, 2000

SHARI PAPE
County of
Sublette
My Commission Expires:
Notary Public
State of
Wyoming
Aug. 7, 2000

Lori Payne
Notary Public.

Address: Box 519 Pinedale WY 82941

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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 ____.

My Commission Expires _____

Notary Public.

Address: _____

PRODUCERS 88-PAID UP

379

1100.10

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of June, 19 97, by and between Boroff Land and Livestock, Inc., a Wyoming Corporation whose post office address is Box 170, Daniel, WY 83115 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 North, Range 112 West, 6th P.M.
Section 4: S/2SW/4, SW/4SE/4
Section 5: S/2SE/4
Section 8: NE/4
Section 9: NE/4, N/2NW/4, SE/4NW/4
Section 11: E/2NE/4, NE/4SW/4, SE/4
Section 12: SW/4NE/4, W/2, W/2SE/4, SE/4SE/4
Section 13: N/2, SW/4, E/2SE/4
Section 14: NE/4NE/4

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FILED Oct. 1, 97 M
IN BOOK 105 379
FEES $8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2000.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

X Jon Boroff

Jon Boroff, President

Boroff Land and Livestock, Inc., a Wyoming Corporation

Tax ID # 83-0209157

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(s) 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 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—INDIVIDUAL
(For use in all states)

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(s) 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 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 Wyoming } ss

COUNTY OF Sublette

CORPORATE
(For use in all states)

On this 13TH day of June, A.D. 19 97, before me personally appeared Jon Boroff to me personally known, who, being by me duly sworn, did say that he is the President of Boroff Land and Livestock, Inc., a Wyoming 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 JON BOROFF acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13TH day of June, A.D., 1997

My Commission Expires 5/17/98

MARY L. LANKFORD - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES MAY 17, 1998

Mary L. Lankford
Notary Public.

Address: PINEDALE, WYOMING

381

110.00

PROUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 3rd day of June, 19 97, by and between Peter S. Olson and Anne Olson, husband and wife whose post office address is 828 Highway 351, Big Piney, Wyoming 83113 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more (10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 32 NORTH, RANGE 108 WEST

Section 6: SW¼SE¼
Section 7: N½NE¼ & SE¼NE¼
Section 8: S½NW¼, E½SW¼, NW¼SW¼ & SE¼
Section 9: W½SW¼
Section 17: N½NE¼

263742

RECORDED Oct. 1 1997 M
IN BOOK 105016 PAGE 381
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Borton

10:30A

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 680.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extensi...~~

17. Should any one or m... 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.

+ Peter S. Olson
Peter S. Olson
SSN: [redacted]

+ Anne Olson
Anne Olson
SSN: [redacted]

STATE OF WYOMING
COUNTY OF SUBLETTE
ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 3rd day of June, 19 97, personally appeared Peter S. Olson and Anne Olson, husband and wife

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 duly executed the same as their free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires 2-2-[redacted]

[redacted] - NOTARY PUBLIC
County of Sublette
State of Wyoming
My Commission Expires February 2, 2000

Joyce J. Johnson
Notary Public
Address: Sublette County, Big Piney

STATE OF _____
COUNTY OF _____
ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

383

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of June, 19 97, by and between Melvin L. McLoughlin & Son Limited Partnership whose post office address is P.O. Box 3, Daniel, WY 83115 lessor (whether one or more) and High Plains Associates, Inc. hereinafter called Lessee: whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218

WITNESSETH, That the Lessee, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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' for land description

263743

10:30a
RECORDED Oct. 1, 1997
IN BOOK 105 016 OF 383
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soder

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 33.671 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

X _____

Melvin L. McLoughlin, General Partner
Melvin L. McLoughlin & Son Limited Partnership

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 1 day of July, 1997, personally appeared Melvin L. McLoughlin, General Partner, Melvin L. McLoughlin and Son Limited Partnership 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 he duly executed the same as his free and voluntary act and deed for the 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 10-17-98

DISNEY BRUNETTE - NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
MY COMMISSION EXPIRES OCTOBER 17, 1998

Notary Public.

Address: Pinedale, WY 82941

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

Notary Public.

Address: _____

EXHIBIT 'A'

Attached to and made apart of Oil and Gas Lease dated June 28, 1997, between Melvin L. McLoughlin & Son Limited Partnership, Lessor, and High Plains Associates, Inc., Lessee.

Township 35 North, Range 111 West, 6th P.M.
Section 29: A tract of land located in the NE/4SW/4 and the NW/4SE/4 of Section 29, being more particularly described as follows: Beginning at a point on the the north line of the S/2 of Section 29, South 89 degrees 45 minutes 43 seconds West, 2056.39 feet from the east one-quarter of Section 29; thence continuing South 89 degrees 45 minutes 43 seconds West, a distance of 1432.52 feet to a point; thence South 89 degrees 57 minutes 44 seconds West, a distance of 119.84 feet; thence South 03 degrees 12 minutes 24 seconds East, a distance of 113.12 feet; thence South 13 degrees 46 minutes 44 seconds East, a distance of 199.87 feet to a point; thence South 28 degrees 29 minutes 27 seconds East, a distance of 340.25 feet; thence South 41 degrees 07 minutes 36 seconds East, a distance of 448.51 feet; thence South 71 degrees 34 minutes 01 seconds East, a distance of 1074.74 feet to a point; thence North 00 degrees 55 minutes 15 seconds East, a distance of 1290.02 feet to the point of beginning, containing 33.671 acres, more or less.

Signed for Identification:

Melvin L. McLoughlin, General Partner

PRODUCT[redacted]: UP [redacted] 10:30a.

263744

OIL AND GAS LEASE

RECORDED Oct. 1, 1997 M
IN BOOK 105 OIL PAGE 384
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
COUNTY CLERK

AGREEMENT, Made and entered into the 25th day of June, 1997, by and between J. Paul Allen, Trustee of the J. Paul Allen Trust dated 9-21-93 whose post office address is P.O. Box 606, Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 North, Range 112 West, 6th P.M.
Section 7: SE/4SE/4
Section 8: S/2SW/4, NE/4SW/4
Section 13: W/2SE/4
Section 14: SE/4
Section 15: SE/4
Section 23: E/2E/2
Section 24: N/2, N/2SE/4, E/2SW/4
Section 25: S/2SW/4
Section 26: NE/4NE/4

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1320.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

13. 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 J. Paul Allen, Trustee of the J. Paul Allen Trust dated 9/24/93

J. Paul Allen, Trustee of the J. Paul Allen Trust dated 9-21-93

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 ____ day of June, 19 97

personally appeared J. Paul Allen, Trustee of the J. Paul Allen Trust dated 9-21-93

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 he duly executed the same as his free and voluntary act and deed for the 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 Oct. 6, 2000

NOTARY PUBLIC COUNTY WYOMING

Notary Public.

Address: 7 Meade Vista Ld Cora Wy 82925

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

Notary Public.

Address: _____

PRODUCER [redacted] PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of July, 19 97, by and between Dick Lozier, a single man whose post office address is 7306 County Road 12 West, Walden, CO 80480 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 North, Range 112 West, 6th P.M.
Section 7: SE/4SE/4
Section 8: E/2SW/4, SW/4SW/4
Section 13: W/2SE/4
Section 14: SE/4
Section 23: E/2E/2
Section 24: N/2, N/2SE/4, E/2SW/4
Section 26: NE/4NE/4

263745

RECORDED Oct. 1 1997 M
IN BOOK 105 O+G PAGE 388
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scoten

10:30A

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1080.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

X Dick Lozier
Dick Lozier

STATE OF Colorado
COUNTY OF Jackson } 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 July, 19 97 personally appeared Dick Lozier

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 he duly executed the same as his free and voluntary act and deed for the 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 4-8-99

Notary Public.

Address: 417 McKinley Walden, Co 80480

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

Notary Public.

Address: _____

PRODUCERS 88-PAID UP

1107X

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 28th day of June, 19 97, by and between Melvin L. McLoughlin and Betty Lou McLoughlin, husband and wife whose post office address is P.O. Box 3, Daniel, WY 83115 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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' for land description

263746

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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Zuckerman

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 800.88 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

X Melvin L. McLoughlin
Melvin L. McLoughlin

X Betty Lou McLoughlin
Betty Lou McLoughlin

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 1 day of July, 19 97 personally appeared Melvin L. McLoughlin

and Betty Lou McLoughlin, husband and 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 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 10-17-98

DISNEY BRUNETTE - NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
MY COMMISSION EXPIRES OCTOBER 17, 1998

Disney Brunette
Notary Public.

Address: Pinedale, WY 82941

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

_____
Notary Public.

Address: _____

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Attached to and made apart of Oil and Gas Lease dated June 28, 1997, between Melvin L. McLoughlin and Betty Lou McLoughlin, husband and wife, Lessors, and High Plains Associates, Inc., Lessee.

<u>Township 35 North, Range 111 West, 6th P.M.</u>

Section 28: SW/4, less and except the east 30 feet of the E/2SW/4

Section 29: E/2SW/4, SE/4, less and except that tract of land located in the NE/4SW/4 and the NW/4SE/4 of Section 29, being more particularly described as follows: Beginning at a point on the the north line of the S/2 of Section 29, South 89 degrees 45 minutes 43 seconds West, 2056.39 feet from the east one-quarter of Section 29; thence continuing South 89 degrees 45 minutes 43 seconds West, a distance of 1432.52 feet to a point; thence South 89 degrees 57 minutes 44 seconds West, a distance of 119.84 feet; thence South 03 degrees 12 minutes 24 seconds East, a distance of 113.12 feet; thence South 13 degrees 46 minutes 44 seconds East, a distance of 199.87 feet to a point; thence South 28 degrees 29 minutes 27 seconds East, a distance of 340.25 feet; thence South 41 degrees 07 minutes 36 seconds East, a distance of 448.51 feet; thence South 71 degrees 34 minutes 01 seconds East, a distance of 1074.74 feet to a point; thence North 00 degrees 55 minutes 15 seconds East, a distance of 1290.02 feet to the point of beginning.

Section 32: NE/4, NW/4SE/4

Section 33: W/2NW/4, E/2W/2, less and except the east 30 feet of the E/2W/2

Signed for Identification:

Melvin L. McLoughlin

Betty Lou McLoughlin

393

11084

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of May, 19 97, by and between Estate Of Josephine H. Binning, Joella J. Dugan, Administratrix whose post office address is P. O. Box 421, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, Colorado 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 MADE A PART HEREOF.

263747

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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 830.23 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

[redacted] [redacted] [redacted]

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.

Joella J. Dugan

Estate Of Josephine H. Binning,
Joella J. Dugan, Administratrix

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 21ST day of JULY, 19 97

personally appeared JOELLA J. DUGAN

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 SHE duly executed the same as HER free and voluntary act and deed for the 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 June 30, 2001

Nancy R. Kanwischer
County of
Sublette
My Commission Expires:
Notary Public
State of
Wyoming
June 30, 2001

Nancy R Kanwischer
Notary Public.

Address: 3 Granite Lane Pinedale Wy

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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____.

My Commission Expires _____

_____
Notary Public.

Address: _____

"Exhibit A"

Attached hereto and made a part of that certain oil and gas lease dated May 21, 1997, between **The Estate of Josephine H. Binning, Joella J. Dugan, Administratrix, as Lessor and High Plains Associates, Inc., as Lessees.**

TOWNSHIP 34 NORTH, RANGE 109 WEST, 6TH P.M.
Section 6: E/2 of Lot 2 (20.23), Lot 5 (32.98), Lot 6 (32.78), Lot 7 (32.60) and E/2SW/4, W/2SE/4, SW/4NE/4 & SE/4NW/4
Section 7: Lot 1 (32.56), Lot 2 (32.69), Lot 3 (32.81) & NE/4NW/4 .

TOWNSHIP 34 NORTH, RANGE 110 WEST, 6TH P.M.
Section 1: Lot 3 (38.34) & SE/4SE/4

TOWNSHIP 35 NORTH, RANGE 109 WEST, 6TH P.M.
Section 30: Lots 1(38.40), 2(38.42), 3(38.42), NE/4SW/4 & NW/4SE/4

TOWNSHIP 35 NORTH, RANGE 110 WEST, 6TH P.M.
Section 24: E/2E/2SE/4
Section 25: E/2SE/4NE/4

Sublette County, Wyoming
Containing 830.23 acres, more or less

Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflicts or ambiguities.

1. If this lease is beyond the primary term and would expire by its terms except for the fact that acreage subject to the lease is pooled, communitized or unitized for production or that Lessee is engaged in drilling or reworking operations on the leased premises, then upon written request by Lessor, Lessee shall release all acreage subject to the lease which is not pooled, cummunitized or unitized for production or upon which Lessee is not engaged in drilling or reworking operations.

   This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

2. Lessee, its successors or assigns, shall not locate any drill site, location or operations requiring the disturbance of the surface within 500 feet of any water well, water ways, corrale or building on subject lands, without the prior written consent of the lessor.

SIGNED FOR IDENTIFICATION BY:

Estate of Josephine H. Binning,
Joella J. Dugan, Administratrix

PRODUCERS 88-PAID UP

[redacted]

[redacted]

[redacted]

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 23rd day of July, 19 97, by and between Boroff Land and Livestock, Inc., a Wyoming Corporation whose post office address is Box 170, Daniel, WY 83115 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 North, Range 111 West, 6th P.M.
Section 18: Lots 1(37.65), 2(37.75), 3(37.85), 4(37.95)

263748

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FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 151.20 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

Jon Boroff, President
Boroff Land and Livestock, Inc., a Wyoming Corporation

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(s) 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 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—INDIVIDUAL
(For use in all states)

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(s) 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 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 Wyoming
COUNTY OF Sublette } ss

CORPORATE
(For use in all states)

On this 24TH day of July, A.D. 1997, before me personally appeared Jon Boroff to me personally known, who, being by me duly sworn, did say that he is the President of Boroff Land and Livestock, Inc., a Wyoming 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 _____ acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 24TH day of July A.D., 1997

My Commission Expires 11/4/98

Notary Public.

Address: Florence, WY 82941

PRODUCERS [redacted]

[redacted]

[redacted]

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 23rd day of July, 19 97, by and between Lawrence W. Shaul and Vivian M. Shaul, husband and wife whose post office address is 564 South Fremont, Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 North, Range 111 West, 6th P.M.
Section 18: Lots 1(37.65), 2(37.75), 3(37.85), 4(37.95)

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RECORDED Oct. 1 1997 M
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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Foster

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 151.20 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

x Lawrence W. Shaul
Lawrence W. Shaul
SS# 520-05-1597

x Vivian M. Shaul
Vivian M. Shaul

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 23rd day of July, 19 97 personally appeared Lawrence W. Shaul

and Vivian M. Shaul, husband and 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 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 June 30, 2001

Nancy R. Kanwischer
County of
Sublette
My Commission Expires
Notary Public
State of
Wyoming
June 30, 2001

Nancy K. Kanwischer
Notary Public

Address: 3 Granite Lane, Pinedale, Wy.

STATE OF _____
COUNTY OF _____ } ss

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

_____
Notary Public.

Address: _____

PRODUC[redacted]D UP [redacted] [redacted] 10:30a

OIL AND GAS LEASE
263760

RECORDED Oct. 1, 1997 M
IN BOOK 105 016 PAGE 400
FEES $8.00 [illegible] CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

AGREEMENT, Made and entered into the 31st **day of** July, 19 97, **by and between** Ruth E. Oliver, formerly Ruth E. Wilson, a married woman dealing in her sole and separate property and Gary S. Wilson, a single man **whose post office address is** 474 Onyx, Pinedale, Wyoming 82941 **hereinafter called Lessor (whether one or more) and** High Plains Associates, Inc., **whose post office address is** 1557 Ogden Street, Denver, Colorado 80218 **hereinafter called Lessee:**

WITNESSETH, That the Lessor, for and in consideration of Ten And More (10.00) **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, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 34 NORTH, RANGE 109 WEST
Section 32: S½NE¼, N½SE¼ & S½SE¼, Less and Except a 31 Acre Tract more particularly described in Warranty Deed dated January 28, 1980 and recorded in Book 21, at Page 467; a 00.42 acre tract more particularly described in Quit Claim Deed, dated April 20, 1993 and recorded in Book 10, at Page 458 and a 2.63 acre tract more particularly described in Warranty Deed dated May 18, 1994 and recorded in Book 34, at Page 28.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 205.95 **acres, more or less.**

1. It is agreed that this lease shall remain in force for a term of five (5) **years from this date and as long thereafter as oil or gas of whatsoever nature or kind, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, 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 reworking operations thereof, 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 reworking 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 pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 (1/8), payable monthly at the well head 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 well head 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.

Ruth E. Oliver

Ruth E. Oliver, formerly Ruth E. Wilson
SSN:

Gary S. Wilson

Gary S. Wilson
SSN:

STATE OF WYOMING
COUNTY OF SUBLETTE

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 July, 19 97 personally appeared Ruth E. Oliver, formerly Ruth E. Wilson, a married woman dealing in her sole and separate property and Gary S. Wilson, a single man

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 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 12/12/98

SUSAN J. HANSON - NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 12, 1998

Susan J. Hanson
Notary Public.
Address: Pinedale WY

STATE OF _____
COUNTY OF _____

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

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(s) 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 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 _____

CORPORATE
(For use in all states)

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_____.

My Commission Expires _____

Notary Public.

Address: _____

[redacted] [redacted] [redacted]437

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. UTU141712

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: High Plains Assoc
   Street: 1557 Ogden St #300
   City, State, Zip Code: Denver CO 80218

Future rental payments must be made on or before the anniversary date to:
Minerals Management Service
Royalty Management Program
P.O. Box 5640
Denver, CO 80217

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. _____ R. _____ Meridian _____ State _____ County _____

263751

RECORDED Oct. 1, 1997 M
IN BOOK 105 Q+6 PAGE 400
FEES $ 20.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Buxton

10:30a

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 027ON R. 110W 06th Meridian WY State Sublette County
sec 014 INE;
015 N2 NW; SWSW;

Total acres in lease 480.000
Rental retained $ 720.00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by: Pamela J. Lewis (Signing Officer)

Chief Lands and Realty (Title)

APR 25 1997 (Date)

EFFECTIVE DATE OF LEASE MAY 01 1997

(Continued on reverse)

FOR LESSEE

4. (a) Undersigned certifies that (d) 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 each public domain and acquired lands separately in the same State do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 _____

_____

(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) Noncompetitive lease $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for the first 5 years; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

[redacted] [redacted] WYW141712

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: November 30, 1996

State	Date of sale
WY	4/1/91

PARCEL NUMBER	AMOUNT OF BID *(See Instructions below)* TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR *(Check one)*:		
☒ Oil and Gas Parcel Number 121	*1755.00	*1755.00
☐ Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA) _____		

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

High Plains Resources Inc.
Print or Type Name of Lessee

[redacted]
Signature of Lessee or Bidder

1515 Ogden Street Suite 200
Address of Lessee

Denver CO 80218
City State Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid **must** be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance **must** be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, **must** be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is **not** the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid **must** be accompanied by one-fifth of the total amount of bid. The remittance **must** be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

NM 141712

MULTIPLE MINERAL DEVELOPMENT STIPULATION

Operations will not be approved which, in the opinion of the authorized officer, would unreasonably interfere with the orderly development and/or production from a valid existing mineral lease issued prior to this one for the same lands.

[redacted] [redacted] WYW1417[redacted]

LEASE NOTICE NO. 1

Under Regulation 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

6. Material sites.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the 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 threshold 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).

The referenced oil and gas leases on these lands are hereby made subject to the stipulation that the exploration or drilling activities will not interfere materially with the use of the area as a materials site/free use permit. At the time operations on the above lands are commenced, notification will be made to the appropriate agency. The name of the appropriate agency may be obtained from the proper BLM District Office.

WYW141712

SPECIAL LEASE NOTICE

THREATENED, ENDANGERED, CANDIDATE, OR OTHER SPECIAL STATUS PLANT AND ANIMAL SPECIES

The lease area may contain habitat for the threatened, endangered, candidate, or other special status plant and animal species listed below. Exploration and development proposals may be limited, or modifications required, if activity is planned within the habitat boundaries of a threatened, endangered, candidate, or other special status plant/animal species as it then exists. Upon receipt of a site specific proposal, the authorized officer will review current inventory records of each location and may require that further localized surveys be performed to assure no threatened, endangered, candidate (category 1 or 2), proposed, or other special status species are present. (Endangered Species Act of 1973 as amended, Sections 2 and 7.)

SPECIES: Lesquerella paysonii (Payson's bladderpod);

WYW141712

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use will be restricted or prohibited unless the operator and surface managing agency arrive at an acceptable plan for mitigation of anticipated impacts;

On the lands described below:

(2) as mapped on the Pinedale RMP Visual Resource Management Overlay (preferred alternative);

For the purpose of:

(3) protecting Class I and II Visual Resource Management Areas.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

WYW141712

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use within the Upper Green River Special Recreation Management Area and Wild & Scenic River Study Area will be restricted or prohibited unless the operator and surface managing agency arrive at an acceptable plan for mitigation of anticipated impacts;

On the lands described below:

(2) as mapped on the Pinedale RMP Oil and Gas Lease Stipulation Overlay #2;

For the purpose of:

(3) protecting recreation and Wild & Scenic River values.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

[redacted] [redacted] WYW141 [redacted]

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

411

1105

Form 3100-11
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

02033

Serial No.
WYW139396

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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 Mellard L. Horton
Street RT 1 Box 92B
City, State, Zip Code Floyd, VA 24091

Future rental payments must be made on or before the anniversary date to:
Minerals Management Service
Royalty Management Program
P.O. Box 5640
Denver, CO 80217

2. This application/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: *Parcel No.: WY-9606-372 *Sale Date (m/d/y): 6 / 4 / 96
*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. R. Meridian State County

263752

RECORDED Oct. 1 1997 10:30 A M
IN BOOK 105046 PAGE 911
FEES $22.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

Amount remitted: Filing fee $ 75.00 Rental fee $ 340.00 Total acres applied for 562.000
Total $ 915.00

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

SEE ATTACHED

Total acres in lease
Rental retained $

RECEIVED
BUREAU OF LAND MANAGEMENT
CHEYENNE, WYOMING
96 JUN -5 AM 9:00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☒ Noncompetitive lease (ten years)

☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____ (Signing Officer)
LAND LAW EXAMINER (Title)
JUN 20 1996 (Date)

EFFECTIVE DATE OF LEASE JUL 01 1996

(Continued on reverse)

FOR LESSEE

[redacted] [redacted] [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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska but which up to 200,000 acres may be in options, (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this 5th day of June, 19 96. Richard L Barton

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for the first 5 years; thereafter $2.00;
(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1994-673-004/01054

WYW139396

WYW139396 560.000 Acres
T.0320N, R.1080W, 06th PM, WY
sec. 030 E2;
031 NE,N2SE;
Sublette County

[redacted] [redacted] WYW13939[redacted]

MULTIPLE MINERAL DEVELOPMENT STIPULATION

Operations will not be approved which, in the opinion of the authorized officer, would unreasonably interfere with the orderly development and/or production from a valid existing mineral lease issued prior to this one for the same lands.

WYW139396

LEASE NOTICE NO. 1

Under Regulation 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

6. Material sites.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the 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 threshold 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).

The referenced oil and gas leases on these lands are hereby made subject to the stipulation that the exploration or drilling activities will not interfere materially with the use of the area as a materials site/free use permit. At the time operations on the above lands are commenced, notification will be made to the appropriate agency. The name of the appropriate agency may be obtained from the proper BLM District Office.

[redacted] [redacted] [redacted]

WYW139396

SPECIAL LEASE NOTICE

THREATENED, ENDANGERED, CANDIDATE, OR OTHER SPECIAL STATUS PLANT AND ANIMAL SPECIES

The lease area may contain habitat for the threatened, endangered, candidate, or other special status plant and animal species listed below. Exploration and development proposals may be limited, or modifications required, if activity is planned within the habitat boundaries of a threatened, endangered, candidate, or other special status plant/animal species as it then exists. Upon receipt of a site specific proposal, the authorized officer will review current inventory records of each location and may require that further localized surveys be performed to assure no threatened, endangered, candidate (category 1 or 2), proposed, or other special status species are present. (Endangered Species Act of 1973 as amended, Sections 2 and 7.)

SPECIES: Astragalus drabelliformis (bastard draba milkvetch);

WYW139396

TIMING LIMITATION STIPULATION - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

(1) Nov 15 to Apr 30;

On the lands described below:

(2) as mapped on the Pinedale RMP Oil and Gas Lease Stipulation overlay #1;

For the purpose of (reasons):

(3) protecting big game crucial winter range.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

[redacted] [redacted] [redacted]

WYW139396

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use will be restricted or prohibited unless the operator and surface managing agency arrive at an acceptable plan for mitigation of anticipated impacts;

On the lands described below:

(2) as mapped on the Pinedale RMP Visual Resource Management Overlay (preferred alternative);

For the purpose of:

(3) protecting Class I and II Visual Resource Management Areas.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

WYW139396

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

[redacted] [redacted] [redacted]

PROUCI[illegible]D UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 12th day of February, 19 97, by and between Lawrence W. Shaul and Vivian M. Shaul, husband and wife whose post office address is 310 S. 400 West 98-2, Hurricane, UT 84737 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 34 North, Range 111 West, 6th P.M.
Section 7: Lots 2(37.48), 3(37.52), 4(37.58)

263753

10:30a

RECORDED Oct. 1, 1997 M
IN BOOK 105 016 PAGE 420
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 112.58 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five(5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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.

Lawrence W. Shaul

Lawrence W. Shaul

~~Employee~~

532-05-1597

Vivian M. Shaul

Vivian M. Shaul

STATE OF Utah

COUNTY OF Washington ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 21st day of February, 19 97,

personally appeared Lawrence W. Shaul and Vivian M. Shaul, husband and wife

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 duly executed the same as their free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires 5/9/00

NOTARY PUBLIC
WENDY BARNEY
279 West State
Hurricane, Utah 84737
My Commission Expires
May 9, 2000
STATE OF UTAH

Notary Public

Address: Hurricane, Utah

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally

appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

[redacted] [redacted] [redacted]

PRODUCERS
Rev. 5-60, No. 2--4 89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 12th day of February, 19 97, by and between

Boroff Land and Livestock, Inc. a Wyoming Corporation

whose post office address is Box 170, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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' for land description

263754

10:30a

RECORDED Oct. 1 1997 M
IN BOOK 105046 PAGE 422
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barker

and containing 84.06 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseholder 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 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, particulary, 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 Lessors. 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.

Jon T. Boroff, President
Boroff Land and Livestock, Inc.

Tax ID# 083102079157

Attest: Sheryl L. Boroff
Secretary,
Boroff Land & Livestock Inc

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
} ss.
COUNTY OF .....

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:

..... Residing at .....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
} ss.
COUNTY OF .....

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:

..... Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF Wyoming .....
} ss.
COUNTY OF Sublette .....

On this 12th day of February ..... 1997 ....., before me personally appeared

Jon T. Boroff ..... known to me to be the President .....

of Boroff Land and Livestock, Inc. .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

LYLE H. HANSEN NOTARY PUBLIC SEAL STATE OF MONTANA

My commission expires: April 7, 1999

Notary Public

Residing at Billings MT

RECORDING DATA

EXHIBIT 'A'
attached to and made apart of Oil and Gas Lease dated 2-11-97, between Boroff Land and Livestock, Inc. a Wyoming Corporation, Lessor, and High Plains Associates, Inc., Lessee.

Township 34 North, Range 111 West, 6th P.M.
Section 7: Lots 2(37.48), 3(37.52), 4(37.58), excepting 28.52 acres in Lots 2 and 3 more fully described as follows:

Begin at the West one-quarter corner of said Section 7: Thence North along the section line 1319.44 feet to the one-sixteenth corner;

Thence S 89 degrees 46 minutes 52 seconds E, 1021.98 feet;

Thence S 27 degrees 25 minutes 28 seconds W, 490.40 feet;

Thence S 43 degrees 36 minutes 01 seconds W, 464.72 feet;

Thence S 01 degrees 32 minutes 06 seconds E, 204.45 feet;

Thence S 10 degrees 37 minutes 08 seconds W, 198.63 feet;

Thence S 15 degrees 08 minutes 30 seconds E, 152.85 feet;

Thence S 09 degrees 52 minutes 17 seconds E, 61.92 feet;

Thence S 04 degrees 00 minutes 16 seconds W, 395.04 feet;

Thence S 10 degrees 54 minutes 09 seconds W, 103.67 feet;

Thence S 28 degrees 37 minutes 34 seconds W, 106.33 feet;

Thence S 36 degrees 44 minutes 55 seconds W, 109.36 feet;

Thence S 53 degrees 09 minutes 26 seconds W, 199.28 feet;

Thence S 67 degrees 53 minutes 07 seconds W, 186.49 feet;

Thence N 00 degrees 02 minutes 51 seconds E, 930.97 feet to the point of beginning

PROUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 17th day of February, 19 97, by and between John T. Doyle and Virginia Doyle, husband and wife whose post office address is 9809 Highway 191, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 109 WEST

Section 2: S½SW¼
Section 3: S½SE¼
Section 10: NW¼NE¼

263755

RECORDED Oct. 1 1997 10:30 M
IN BOOK 105016 PAGE 425
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Burton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 200.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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 ... 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~

17. 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 T. Doyle
John T. Doyle
Social Security No. 520-34-1819

Virginia Doyle
Virginia Doyle
Social Security No. 520-28-5750

STATE OF Wyoming
COUNTY OF Sublette
ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 17th day of February, 19 97, personally appeared John T. Doyle and Virginia Doyle, husband and wife 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 duly executed the same as their free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires Aug 7,2000

SHARI PAPE
Notary Public
County of Sublette
State of Wyoming
My Commission Expires Aug. 7, 2000

Notary Public

Address: Box 519 Pinedale Wy 82941

STATE OF _____
COUNTY OF _____
ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

10334

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 26th day of March, 19 97, by and between Jack D. Richardson and Norma A. Richardson, husband and wife whose post office address is 9793 Highway 191, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden St., Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 MADE A PART HEREOF

263756

RECORDED Oct. 1, 1997 M
IN BOOK 105046 PAGE 427
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Seaton

10:39a

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 804.31 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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

...ed by this lease and included in the unit ...the total number of surface acres in such unit. In addition to the foregoing, Lessee ...right to unitize, communitize, pool, or combine ...y part of the above described lands as to one or ... formations thereunder ...lands in the same general area by entering into ...ve or unit plan of development or operation approved ...governmental authorities ...time to time, with like approval, to modify, change or ... any such plan or agreement and, in such event, ... conditions and provisions ...use 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~ JDR NR

17. 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.

Jack D. Richardson
SSN: 458-62-5435

Norma A. Richardson

STATE OF Wyoming
COUNTY OF Lincoln ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 26th day of March, 19 97, personally appeared Jack D. Richardson and Norma A. Richardson, husband & 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 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.

STEVEN ROBERTS - NOTARY PUBLIC
COUNTY OF LINCOLN STATE OF WYOMING
MY COMMISSION EXPIRES AUGUST 14, 2000

My Commission Expires

Notary Public
Address: Box 564 Diamondville, Wy

STATE OF _____
COUNTY OF _____ ss.

CORPORATE
(For use in all states)

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.

Witness my hand and seal this _____ day of _____ AD., 19____.

My Commission Expires _____

Notary Public
Address: _____

"Exhibit A"

Attached hereto and made a part of that certain oil and gas lease dated March 26, 1997, between Jack D. Richardson and Norma A. Richardson, husband and wife, as Lessors and High Plains Associates, Inc., as
Lessees.

TOWNSHIP 33 North, Range 109 West

Section 10: NE/4NE/4, S/2NE/4 & SE/4, Less And Except The Following Described Tracts, To Wit:

A 13.93 acre tract as described by Warranty Deed dated April 27, 1937 and recorded in Book 4, at Page 124, between John W. Brazill, a single man as grantor and The State Of Wyoming, as grantee.

A 2.02 acre tract as described by Warranty Deed dated April 6, 1965 and recorded in Book 12, at Page 511, between William Bloom a.k.a. J. William Bloom a.k.a. Bill Bloom and Magdaline Bloom, husband and wife, grantors and Delgado Oil Company, as grantee.

A 4.99 acre tract described by Warranty Deed dated November 4, 1967 and recorded in Book 14, at Page 173, between Jack D. Richardson and Norma A. Richardson, husband and wife, as grantors and Joseph R. Hicks and Edna E. Hicks, husband and wife, as grantees.

A 13.60 acre tract described by Warranty Deed dated August 10, 1971 and recorded in Book 15, at Page 308, between Jack D. Richardson and Norma Richardson, husband and wife, as grantors and Edmund J. Giebel, as grantee.

A 1.15 acre tract (Assessor's Survey Plat) described by Warranty Deed dated June 25, 1975 and recorded in Book 17, at Page 572, between Jack D. Richardson and Norma Richardson, husband and wife, as grantors and Robert Rice and Susan Rice, husband and wife, as grantees.

Section 11: W/2NE/4, NW/4 & S/2

Sublette County, Wyoming
Containing 804.31 acres, more or Less

SIGNED FOR IDENTIFICATION BY:

Jack D. Richardson

Norma A. Richardson

[redacted] [redacted] 1037 [redacted]

PRODUCERS ... UP
Rev. 5-60, No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 27th day of March, 19 97, by and between

Magdaline Bloom, a widow

whose post office address is 333 N. Bridger Ave., Pinedale, WY 82941, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc., whose post office address is 1557 Ogden Street, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 109 WEST

Section 10: NE¼NE¼ & S½NE¼ & SE¼, Less And Except the following described tracts of land:
A 13.93 Acre Tract Described by Warranty Deed dated April 27, 1937 and recorded in Book 4, at Page 124.
A 2.02 Acre Tract Described by Warranty Deed dated April 6, 1965 and recorded in Book 12, at Page 511.

Section 11: W½NE¼ & NW¼ & S½
Section 13: W½SW¼
Section 14: E½SE¼

263757

RECORDED Oct. 1 1997 M 10:30a
IN BOOK 105 O+G PAGE 430
FEES $8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

and containing 984.05 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ five 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-eight (⅛) part of all oil produced and saved from the leased premises.
2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.
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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseshold 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 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, particulary, 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 Lessors. 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 Magdaline Bloom
Magdaline Bloom
SSN: 520-60-1532

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF ... WYOMING .....
COUNTY OF. SUBLETTE ..... } ss.

On this .... 27th ..... day of ..... March ..... 19 ..97 ...., before me personally appeared

..... Magdaline Bloom, a widow .....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

8.18.2000

Tracey L Fields Hooker
Notary Public

Residing at .. Cora, ... WY .....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

..... known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

PRODUCER: UP

RECORDED Oct. 1, 19 97 10:30A M
IN BOOK 126016 PAGE 1132
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sanden

OIL AND GAS LEASE

263758

AGREEMENT, Made and entered into the 11th day of February, 19 97, by and between BATTLEFIELD, INC., a Wyoming corporation whose post office address is P. O. Box 58, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 109 West, 6thPM

Section 10: The Northwest Quarter (NW¼), Less And Except The Following Described Tract: Beginning at the section corner common to Sections 3, 4, 9, and 10; Thence North 00 13' East, along section line, a distance of 391.00 feet; Thence South 74 30' East, 1375.00 feet; Thence South 654.70 feet; Thence South 89 37' West, 1330.94 feet to the West line of Section 10; Thence North 00 04' East along the section line a distance of 640.06 feet to the point of beginning.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 140.60 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~ J.D.R.

17. 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.

BATTLEFIELD, INC., a Wyoming corporation

By: X Jack D. Richardson
Jack D. Richardson - President

TAX ID NO. X830229069

Attest:

By: X Norma A. Richardson
Norma A. Richardson - Secretary

BATTLEFIELD INC. CORPORATE SEAL STATE OF WYOMING

STATE OF _____
COUNTY OF _____
ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

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(s) 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 purposes therein set forth.**

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires_____

_____
Notary Public

STATE OF Wyoming
COUNTY OF ~~Sublette~~ Lincoln
ss

CORPORATE
(For use in all states)

On this 11th **day of** February, **A.D. 19** 97, **before me personally appeared** Jack D. Richardson **to me personally known, who, being by me duly sworn, did say that he is the** President **of** Battlefield, Inc., a Wyoming 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** Jack D. Richardson _____ **acknowledged said instrument to be the free act and deed of said corporation.**

Witness my hand and seal this 11th **day of** February **A.D., 19** 97

STEVEN ROBERTS - NOTARY PUBLIC
COUNTY OF LINCOLN STATE OF WYOMING
MY COMMISSION EXPIRES AUGUST 14, 2000

My Commission Expires 14 2000

Steven Roberts
Notary Public.

Address: Box 564 Diamondville, Wy

PROUCER - UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 18th day of February, 19 97, by and between Grace E. Sulenta, a married woman dealing in her sole and separate property whose post office address is 338 Nort Freemont Ave., Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 112 West

Section 1: Lot 4 & S½NW¼
Section 2: Lot 1

263759

RECORDED Oct. 1, 1997 10:30 A M
IN BOOK 125016 PAGE 434
FEES $ 8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 159.93 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~ 7.5

17. 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.

Grace E. Sulenta

Grace E. Sulenta
Soc. Sec. No. 520-26-7714

STATE OF Wyoming
COUNTY OF Sublette

ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 18th day of February, 19 97,

personally appeared Grace E. Sulenta, a married woman dealing in her sole and separate property

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 duly executed the same as she free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires 12/12/98

SUSAN J. HANSON - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 12, 1998

Susan J. Hanson
Notary Public

Address: Pinedale WY

STATE OF _____

COUNTY OF _____

ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

_____
Notary Public

Address: _____

PRODUCERS [redacted]
Rev. 5-61L Np

[redacted]

103.38 [redacted]

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21st day of February, 1997, by and between Analind Corporation Ltd. and Willow Springs Cattle Company, a Wyoming Corporation, both whose post office address is 1600 E. Hamley Blvd., Suite 128, Tuscon, AZ 85737, hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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:

263760

RECORDED Oct. 1 1997 10:30 M
IN BOOK 105 D+S PAGE 436
FEES $ 11.50
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

See Exhibit 'A' for land description

and containing 3811.29 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ten (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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.

Bruce Mackenzie, Treasurer
Willow Springs Cattle Company,
a Wyoming Corporation
Tax ID# 83-0288929

Bruce Mackenzie, Treasurer
Analind Corporation Ltd.

HIGH PLAINS ASSOCIATES, INC.
Louis A. Oswald, III, President

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .. Arizona .....
COUNTY OF .... PIMA ..... } ss.

On this .21ST..... day of ...FEBRUARY..... 19 .97....., before me personally appeared

..... Bruce Mackenzie ..... known to me to be the .. Treasurer .....

of Willow Springs Cattle Company, A Wyoming Corporation and Analind Corporation Ltd.

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

My commission expires: 6-29-98

.....
Notary Public

Residing at 3342 E. Edison Place
Tucson Az 85716

Ronald A. Markus, Notary Public
Pima County, Arizona
My Commission Expires 6/29/98

RECORDING DATA

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Attached to and made apart of Oil and Gas lease dated February 21, 1997 between Willow Springs Cattle Company, a Wyoming Corporation and Analind Corporation Ltd., Lessors, and High Plains Associates, Inc., Lessee.

Township 35 North, Range 111 West, 6th P.M.
Section 5: SW/4NW/4, SW/4
Section 6: Lots 1(39.37), 2(39.55), 3(39.73), 4(36.24), 6(36.39), 7(36.44), SE/4SW/4, SE/4NW/4, S/2NE/4, NE/4SE/4
Section 7: Lots 1(36.50), 3(36.66), 4(36.74), NE/4NW/4, E/2SW/4, W/2SE/4, SE/4SE/4
Section 17: SW/4NW/4, SW/4
Section 18: Lots 1(36.82), 2(36.88), E/2NW/4, NE/4, N/2SE/4, SE/4SE/4
Section 19: NE/4NE/4
Section 20: N/2NW/4, SW/4NW/4, N/2SW/4, SE/4SW/4

Township 35 North, Range 112 West, 6th P.M.
Section 1: Lot 4(39.96), S/2NW/4, SE/4NE/4, E/2SE/4, W/2SW/4
Section 2: Lots 1(39.97), 3(40.01), 4(40.03), S/2N/2, S/2
Section 11: SE/4SE/4
Section 12: W/2NW/4, SW/4, E/2SE/4, SW/4SE/4
Section 13: N/2, N/2S/2
Section 14: N/2NE/4, SE/4NE/4

10:30 C

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 27th day of February, 1997, by and between Emeline McIlvie Ellis, A married woman dealing in her sole and separate property whose post office address is 7832 Cinnabar Drive, La Mesa, CA 91941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 111 West, 6th P.M.
Section 6: Lots 6(36.39), 7(36.44), SE/4SW/4
Section 7: Lot 1(36.50), NE/4NW/4

Township 35 North, Range 112 West, 6th P.M.
Section 1: SE/4NE/4, E/2SE/4

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10:30a
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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 309.33 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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) Emeline McDole Ellis S.S.# 520-18-2948

Emeline McDole Ellis, a married woman dealing in her sole and separate property

STATE OF CALIFORNIA

COUNTY OF SAN DIEGO ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13 day of MAR, 19 97, personally appeared Emeline McDole Ellis, a married woman dealing in her sole and separate property 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 duly executed the same as _____ free and voluntary act and deed for the 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 7/15/2000

GREG KOPEL
COMM. # 1097821
NOTARY PUBLIC-CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 15, 2000

GREG KOPEL
COMM. # 1097821
NOTARY PUBLIC-CALIFORNIA
SAN DIEGO COUNTY
My Comm. Exp. July 15, 2000

Notary Public

Address: 8030 LA MESA BLVD
LA MESA CA 91941

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

441

PROUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 18th day of February, 19 97, by and between Grace E. Sulenta, a married woman dealing in her sole and separate property whose post office address is 338 North Fremont Ave., Pinedale, WY 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 34 NORTH, RANGE 110 WEST

Section 22: SW¼SE¼
Section 27: E½ & E½W½

263762

RECORDED Oct. 1, 1997 M
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FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 520 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~ G.S.

17. 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.

Grace E. Sulenta
Grace E. Sulenta
Soc. Sec. No. 520-26-7714

STATE OF Wyoming
COUNTY OF Sublette
ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 18th day of February, 19 97, personally appeared Grace E. Sulenta, a married woman dealing in her sole and separate property 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 duly executed the same as she free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 12/12/98

SUSAN J. HANSON / NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 12, 1998

Susan J. Hanson
Notary Public
Address: Pinedale, WY

STATE OF _____
COUNTY OF _____
ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 19th day of February, 19 97, by and between John M. Sulenta and Grace E. Sulenta, husband and wife whose post office address is P. O. Box 56, Pinedale, Wyoming 82941 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and more ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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:

263763

RECORDED Oct. 1 1997 M
IN BOOK 108 046 PAGE 443
FEES $ 8.00
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soaton

10:30a

TOWNSHIP 34 NORTH, RANGE 110 WEST

Section 26: All

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 640 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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

[redacted] [redacted] [redacted]

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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~

17. 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 M. Sulenta
Soc. Sec. No. 520-24-5001

Grace E. Sulenta
Soc. Sec. No. 520-26-7714

STATE OF Wyoming
COUNTY OF Sublette
ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 19th day of February, 19 97, personally appeared John M. Sulenta and Grace E. Sulenta, husband and wife

~~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 duly executed the same as their free and voluntary act and deed for the 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 12/12/98

SUSAN J. HANSEN - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 12, 1998

Notary Public
Address: Pinedale, WY

STATE OF _____
COUNTY OF _____
ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

445

1032 IX

PRODUCERS 88 - PAID UP
Rev. 5-60, No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 20th day of February, 1997, by and between

Koch Ranch, Inc.

whose post office address is P.O. Box 1295, Pinedale, WY 82941, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More ($10.00) 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' for land description

263764

10:30a

RECORDED Oct. 1 1997 M
IN BOOK 108 Misc PAGE 445
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

and containing 2320.43 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of ~~ten~~ 5 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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.

By: William Koch
Koch Ranch, Inc.
William Koch, President

Tax ID# 83-0228650

By Louis Koch
Attest: Lois Koch, Secretary/Treasurer

Louis A. Oswald, III
High Plains Associates, Inc.
Louis A. Oswald, III, President

[redacted] [redacted] [redacted]

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
} ss.
COUNTY OF .....

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
} ss.
COUNTY OF .....

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:

.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF Wyoming .....
} ss.
COUNTY OF Sublette .....

On this 5th day of ~~February~~ March 19 97, before me personally appeared

William Koch known to me to be the President

of Koch Ranch, Inc.

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:

.....

WILLIAM H. TWICHELL - NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
MY COMMISSION EXPIRES 2-7-98

Residing at Pinedale, Wy

RECORDING DATA

EXHIBIT 'A'

Attached to and made apart of Oil and Gas lease dated February 20, 1997 between Koch Ranch, Inc, Lessor, and High Plains Associates, Inc., Lessee.

Township 34 North, Range 112 West, 6th P.M.

Section 1:	W/2SW/4
Section 2:	Lot 3(40.18), 4(40.25), S/2N/2, N/2S/2, S/2SW/4, SE/4SE/4
Section 8:	N/2SE/4, SE/4SE/4
Section 9:	S/2, SW/4NW/4
Section 10:	N/2, N/2SE/4
Section 11:	W/2NE/4, NW/4, W/2SW/4

Township 35 North, Range 112 West, 6th P.M.

Section 34:	S/2NW/4, SW/4NE/4, S/2
Section 35:	W/2SW/4

It is understood Lessor owns only 50% of the mineral rights to this land.

[redacted] [redacted] 1032 [redacted]

PRODUCERS [illegible] UP
Rev. 5/60, No. 2--4 89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 10th day of March, 19 97, by and between Ruth K. Nelson, a married woman dealing in her sole and seperate property whose post office address is 3070 Casey Drive, #209 Las Vegas, NV 89120, hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 34 North, Range 112 West, 6th P.M.
Section 1: W/2SW/4
Section 2: Lots 3(40.18), 4(40.25), S/2N/2, N/2S/2, S/2SW/4, SE/4SE/4
Section 8: N/2SE/4, SE/4SE/4
Section 9: S/2, SW/4NW/4
Section 10: N/2, N/2SE/4
Section 11: W/2NE/4, NW/4, W/2SW/4

Township 35 North, Range 112 West, 6th P.M.
Section 34: S/2NW/4, SW/4NE/4, S/2
Section 35: W/2SW/4

and containing 2320.43 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5(five) RRN 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseshold 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 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, particulary, 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 Lessors. 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.

263765

Ruth K. Nelson

Ruth K. Nelson, a married woman dealing in her sole and seperate property

SS# 517 32 9771

RECORDED Oct. 1 1997 10:30A M
IN BOOK 1D5D1G PAGE 448
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Nevada }
COUNTY OF Clark } ss.

On this 13th day of March 19 97, before me personally appeared Ruth K. Nelson, a married woman dealing in her sole and seperate property

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
9:10:00

Julie Brown
Notary Public

Residing at Las Vegas NV

JULIE BROWN
Notary Public - Nevada
My appt. exp. Sep. 10, 2000
No. 96-4746-1

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
.....

.....
Notary Public

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

..... known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

My commission expires:
.....

.....
Notary Public

Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 21th day of February, 19 97, by and between Donald W. Albert whose post office address is 3163 Juniper Canyon Rd. Prineville, OR 97754 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 34 North, Range 111 West, 6th P.M.
Section 7: SE¼, SE¼NE¼,
Section 8: SW¼NW¼, W½SW¼
Section 17: W½NW¼
Section 18: NE¼, NW¼SE¼

263766

RECORDED Oct. 1 1997 M 10:30A
IN BOOK 105 016 PAGE 450
FEES $ 5.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Socken

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 600.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) In calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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.

ï Donald W. Albert — S.S.# 521-32-3219

Donald W. Albert

STATE OF OREGON

COUNTY OF CROOK ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 6th day of March, 19 97

personally appeared Donald W. Albert

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 duly executed the same as HIS free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 8-23-98

OFFICIAL SEAL
[illegible]
NOTARY PUBLIC - OREGON
[illegible]

Notary Public

Address: PRINEVILLE OR

STATE OF

COUNTY OF ss.

CORPORATE
(For use in all states)

On this day of , A.D. 19 , before me personally appeared to me personally known, who, being by me

Witness my hand and seal this day of AD., 19 .

My Commission Expires

Notary Public

Address:

[redacted]-PAID UP [redacted] [redacted]

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 10th day of March 1997, by and between Darlene A. Barr, a married woman dealing in her sole and separate property whose post office address is 11124 W. Ohio Place, Lakewood, CO 80226 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1559 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 34 North, Range 111 West, 6th P.M.

Section 7: SE¼, SE¼NE¼
Section 8: SW¼NW¼, W½SW¼
Section 17: W½NW¼
Section 18: NE¼, NW¼SE¼

263767

RECORDED Oct. 1 1997 10:30A M
IN BOOK 105016 PAGE 452
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton COUNTY CLERK

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 600.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) In calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, in this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Darlene A. Barr a.k.a. Darlene A. Barr S.S. # 523 40 7964

Darlene A. Barr, a married woman dealing in her sole and separate property

STATE OF Colorado

COUNTY OF Jefferson ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13 day of March, 19 97, personally appeared Darlene A. Barr

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 duly executed the same as a free and voluntary act and deed for the purposes therein set forth.

IN WITNES 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 10/4/00

Michelle Krosky
Notary Public

Address: 550 S. Wadsworth Blvd
Lakewood CO 80226

STATE OF

COUNTY OF ss.

CORPORATE
(For use in all states)

On this day of , A.D. 19 , before me personally appeared to me personally known, who, being by me

Witness my hand and seal this day of AD., 19 .

My Commission Expires

Notary Public

Address:

[redacted] [redacted] [redacted]

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 10th day of March, 1997, by and between Ramona Albert Reynolds, a widow whose post office address is 3436 South West Obsidian, Redmond, OR 97756 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 34 North, Range 111 West, 6th P.M.

Section 7: SE¼, SE¼NE¼
Section 8: SW¼NW¼, W½SW¼
Section 17: W½NW¼
Section 18: NE¼, NW¼SE¼

263768

RECORDED Oct. 1, 1997 M
IN BOOK 105016 PAGE 454
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 600.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Ramona Albert Reynolds — S.S. # 520-36-6041

Ramona Albert Reynolds, a widow

STATE OF Oregon

COUNTY OF Deschutes ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13th day of March, 19 97,

personally appeared Ramona Albert Reynolds

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 duly executed the same as a free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires March 28, 1998

Notary Public

Address: Redmond, OR

OFFICIAL SEAL
CAROL SUE WAID
NOTARY PUBLIC - OREGON
COMMISSION NO. 026213
MY COMMISSION EXPIRES MAR. 28, 1998

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

PROUCERS 88-PAID UP

10340D

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 10th day of March, 1997, by and between Mary Albert Thompson, a widow whose post office address is 36834 S. Hubbard Road, Molalla, OR 97038 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 34 North, Range 111 West, 6th P.M.

Section 7: SE¼, SE¼NE¼
Section 8: SW¼NW¼, W½SW¼
Section 17: [illegible]
Section 18: NW¼SE¼

263769

RECORDED Oct. 1 1997 M
IN BOOK 1050+6 PAGE 950
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
10:30A
By Cathy Zenke

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 600.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) In calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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.

Mary Albert Thompson — S.S. # 530-22-4258

Mary Albert Thompson, a widow

STATE OF Oregon

COUNTY OF Clackamas ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14th day of March, 1997, personally appeared Mary Albert Thompson

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 duly executed the same as a free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 5-17-98

OFFICIAL SEAL
IRENE E. CROWLEY
NOTARY PUBLIC - OREGON
COMMISSION NO. 031741
MY COMMISSION EXPIRES MAY 17, 1998

Irene E. Crowley
Notary Public

Address: Canby, Or.

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

_____
Notary Public

Address: _____

PRODUCERS 88-PAID UP

OIL AND GAS LEASE
263770

RECORDED Oct. 1 1997 M
IN BOOK 105 D 45 PAGE 455
FEES $ 10.00 10:30a.m. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

AGREEMENT, Made and entered into the 2nd day of June 19 97, by and between J.R. Kvenild, a married man dealing in his sole and separate property whose post office address is 237 Sunflower Casper, WY 83001 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 20: E½NE¼, SE¼SE¼
Section 21: W½, W½NE¼, SE¼
Section 27: NW¼NW¼, S½NW¼, NE¼NE¼, SW¼NE¼, W½SE¼, E½SW¼
Section 28: N½, SW¼
Section 29: E½
Section 32: E½NW¼, NE¼
Section 33: NW¼
Section 34: NW¼, W½NE¼, SE¼NE¼

See attached Exhibit "A"

J.R.K.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing ± 2520.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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 such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

J.R.K.

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.

J.R.K.

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice in exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 _____

J.R. Kvenild, a married man dealing in his sole and separate property S.S.# 520-44-8753

STATE OF Wyoming

COUNTY OF Natrona ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13 day of June, 1997,

personally appeared J.R. Kvenild, a married man dealing in his sole and separate property

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 duly executed the same as his free and voluntary act and deed for the 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 FEBRUARY 24, 1999

_____
Notary Public

Address: 290 Valley Drive
Casper

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

_____
Notary Public

Address: _____

[redacted] [redacted] [redacted]

EXHIBIT "A"
Attached to and made a part of a certain
Oil & Gas Lease dated May 28, 1997 by and between
J.R. Kvenild, as Lessor, and High Plains Associates, Inc., as Lessee.

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

461

PRODUCERS 88-PAID UP

10/1/97

RECORDED Oct. 1 1997 M 10:20
IN BOOK 105045 PAGE 401
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

OIL AND GAS LEASE
263771

AGREEMENT, Made and entered into the 2nd day of June, 19 97, by and between Sandra E. Wohrman, a married woman dealing in her sole and separate property whose post office address is 17807 Joshua Circle Fountain Valley, CA 92708 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 20: E½NE¼, SE¼SE¼
Section 21: W½, W½NE¼, SE¼
Section 27: NW¼NW¼, S½NW¼, NE¼NE¼, SW¼NE¼, W½SE¼, E½SW¼
Section 28: N½, SW¼
Section 29: E½
Section 32: E½NW¼, NE¼
Section 33: NW¼
Section 34: NW¼, W½NE¼, SE¼NE¼

See attached Exhibit "A"

S.E.W.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2520.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) In calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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

[redacted] face 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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 such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

S.E.W.

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.

S.E.W

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Sandra E. Wohrman

Sandra E. Wohrman, a married woman dealing in her sole and separate property

S.S.# 520-42-0276

STATE OF California

COUNTY OF Orange ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 16th day of June, 1992, personally appeared Sandra E. Wohrman, a married woman dealing in her sole and separate property 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 duly executed the same as she free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Dec. 11, 1994

HUGO J. MARTINEZ
COMM. # 1036673
Notary Public — California
ORANGE COUNTY
My Comm. Expires DEC 11, 1998

Notary Public

Address: 12454 Harbor Blvd Garden Grove CA 92640

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

463

Attached to and made a part of a certain
Oil & Gas Lease dated May 28, 1997 by and between
Sandra E. Wohrman, as lessor, and High Plains Associates, Inc., as lessee.

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

PRODUCERS 88-PAID UP

10:30a

RECORDED Oct. 1 1997 M
IN BOOK 105 D46 PAGE 464
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

OIL AND GAS LEASE

263772

AGREEMENT, Made and entered into the 2nd day of June, 19 97, by and between William J. Kvenild, a married man dealing in his sole and separate property whose post office address is 1155 Frontera Drive Laramie, WY 82072 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 20: E½NE¼, SE¼SE¼
Section 21: W½, W½NE¼, SE¼
Section 27: NW¼NW¼, S½NW¼, NE¼NE¼, SW¼NE¼, W½SE¼, E½SW¼
Section 28: N½, SW¼
Section 29: E½
Section 32: E½NW¼, NE¼
Section 33: NW¼
Section 34: NW¼, W½NE¼, SE¼NE¼

See attached Exhibit "A"

W.J.K

together with any reversionary rights therein, and together with all strips or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2520.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or an acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for all and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) In calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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 such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, in this lease during the continuance of an event of force majeure.

W.J.K.

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.

W.J.K.

15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a mineral covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 William J. Kvenild

William J. Kvenild, a married man dealing in his sole and separate property

S.S.# 520 44-8754

STATE OF Wyoming

COUNTY OF Albany ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13th day of June, 19 97.

personally appeared Willima J. Kvenild, a married man dealing in his sole and separate property

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 duly executed the same as his free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Mar 4, 2001

CARI WARREN-NOTARY PUBLIC
County of Albany — State of Wyoming
My Commission Expires Mar. 4, 2001

Cari Warren
Notary Public

Address: Laramie, WY

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

[redacted] [redacted] [redacted]

EXHIBIT "A"
Attached to and made a part of a certain
Oil & Gas Lease dated May 28, 1997 by and between
William J. Kvenild, as Lessor, and High Plains Associates, Inc., as Lessee.

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

467

10/1/97

10:30A

PRODUCERS 88-PAID UP

RECORDED Oct. 1, 1997 M
IN BOOK 105046 PAGE 467
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING

OIL AND GAS LEASE
263773

AGREEMENT, Made and entered into the 2nd day of June 19 97, by and between J.R. Kvenild, a married man dealing in his sole and separate property whose post office address is 237 Sunflower Casper, WY 83001 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1567 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "all oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 21: E½NE¼
Section 22: S½NW¼, NE¼NW¼, S½
Section 26: S½NW¼, SW¼
Section 27: E½SE¼, SE¼NE¼, N½NE¼, NE¼NW¼
Section 34: NE¼NE¼,
Section 35: N½NW¼

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all of those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

J.R.K.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1080.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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

[redacted] [redacted] [redacted]

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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

J.R.K.

14. Lessor hereby ~~covenants 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.

J.R.K.

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice in which to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 _____

J.R. Kvenild, a married man dealing in his sole and separate property.

S.S.# 520-44-8753

STATE OF Wyoming

COUNTY OF Teton ss.

ACKNOWLEDGMENT—INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13 day of June, 19 77, personally appeared J.R. Kvenild, a married man dealing in his sole and separate property 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 duly executed the same as his free and voluntary act and deed for the 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 FEB. 9

Alice L McCain
Notary Public

Address: 290 Valley Drive Casper WY 82604

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ A.D., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

263774

RECORDED Oct. 1 1997 10:30A M
IN BOOK 105046 PAGE 469
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Beaton

10/1/97

AGREEMENT, Made and entered into the 2nd day of June 19 97, by and between Sandra E. Wohrman, A married woman dealing in her sole and separate property whose post office address is 17807 Joshua Circle Fountain Valley, CA 92708 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "all oil and gas" or "hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 21: E½NE¼
Section 22: S½NW¼, NE¼NW¼, S½
Section 26: S½NW¼, SW¼
Section 27: E½SE¼, SE¼NE¼, N½NE¼, NE¼NW¼
Section 34: NE¼NE¼,
Section 35: N½NW¼

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all of those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

S.E.W.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1080.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for all and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, rewarking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

S.E.W.

14. Lessor hereby ~~covenants 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.

S.E.W.

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Sandra E. Wohrman

Sandra E. Wohrman, a married woman dealing in her sole and separate property

S.S.# 520-42-0276

STATE OF California

COUNTY OF Orange ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 16th day of June, 1992, personally appeared Sandra E. Wohrman, a married woman dealing in her sole and separate property 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 duly executed the same as her free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Dec. 11, 1996

HUGO J. MARTINEZ
COMM. # 1036673
Notary Public — California
ORANGE COUNTY
My Comm. Expires DEC 11, 1996

Notary Public

Address: 12454 Harbor Blvd. Garden Grove CA 92840

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

PRODUCERS 88-PAID UP

OIL AND GAS LEASE
263775

RECORDED Oct. 1, 1997 10:30 M
IN BOOK 1050 PAGE 471
FEES $ 10.00
SUBLETTE COUNTY, PINEDALE, WYOMING

AGREEMENT, Made and entered into the 2nd day of June, 19 97, by and between Thomas Daniel O'Neil III, a married man dealing in his sole and separate property whose post office address is 14952 WCR 6 Ft. Lupton, CO 80621 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 21: E½NE¼
Section 22: S½NW¼, NE¼NW¼, S½
Section 26: S½NW¼, SW¼
Section 27: E½SE¼, SE¼NE¼, NW¼NE¼, NE¼NW¼
Section 34: NE¼NE¼
Section 35: N½NW¼

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all of those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

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T.O.O

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1080.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

14. Lessor hereby warrants and agrees to defend the title to the lands described herein 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.

T.D.O

T.D.O

~~15. Preferential Right. If, during the term of this lease (but not more than 10 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessor shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Thomas Daniel O'Neil III

Thomas Daniel O'Neil III, a married man dealing in his sole and separate property

S.S.# 520 42 4319

STATE OF Colorado

COUNTY OF Weld ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 16 day of June, 19 92

personally appeared Thomas Daniel O'Neil III, a married man dealing in his sole and separate property

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 duly executed the same as _____ free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires November 18th, 1993

Notary Public

Address: 160 Hunsch Ct, Fort Collins, Co 80521

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

EXHIBIT "A" 473

Attached to and made a part of a certain
Oil & Gas Lease dated June 2, 1997 by and between
Thomas Daniel O'Neil III , as Lessor, and High Plains Associates, Inc., as Lessee.

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

[redacted] [redacted] [redacted]

1041

10:30a

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

263776

RECORDED Oct. 1 1997 M
IN BOOK 105 O&G PAGE 474
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

AGREEMENT, Made and entered into the 2nd day of June 19 97, by and between Thomas Daniel O'Neil III, a married man dealing in his sole and separate property whose post office address is 14952 UCR 6 Ft. Lupton, CO 80621 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 20: E½NE¼, SE¼SE¼
Section 21: W½, W½NE¼, SE¼
Section 27: NW¼NW¼, S½NW¼, NE¼NE¼, SW¼NE¼, W½SE¼, E½SW¼
Section 28: N½, SW¼
Section 29: E½
Section 32: E½NW¼, NE¼
Section 33: NW¼
Section 34: NW¼, W½NE¼, SE¼NE¼

T.00
T.D.O.

See attached Exhibit "A"

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2520.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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.

TOO T.O.O.

15. Preferential Right: If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

IRO T.O.O.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Thomas Daniel O'Neil III

Thomas Daniel O'Neil III, a married man dealing in his sole and separate property

S.S.# 520-42-4319

STATE OF Colorado

COUNTY OF Weld ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 16 day of June, 19 97

personally appeared Thomas Daniel O'Neil III, a married man dealing in his sole and separate property

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 duly executed the same as free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires November 19th 1999

Notary Public

Address: 16 Ohara Ct. Fort Lupton Co 80621

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19 _____.

My Commission Expires _____

Notary Public

Address: _____

EXHIBIT "A"
Attached to and made a part of a certain
Oil & Gas Lease dated June 2, 1997 by and between
Thomas Daniel O'Neil III, as Lessor, and High Plains Associates, Inc., as Lessee.

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

477

10/1/97 10:30a

PROUCERS 88-PAID UP

OIL AND GAS LEASE
263777

RECORDED Oct. 1 19 97 M
IN BOOK 105016 PAGE 477
FEES $8.00
SUBLETTE COUNTY PINEDALE, WYOMING

AGREEMENT, Made and entered into the 2nd day of June, 19 97, by and between William J. Kvenild, a married man dealing in his sole and separate property whose post office address is 1155 Frontera Drive Laramie, WY 82072 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 21: E½NE¼
Section 22: S½NW¼, NE¼NW¼, S½
Section 26: S½NW¼, SW¼
Section 27: E½SE¼, SE¼NE¼, NW¼NE¼, NE¼NW¼
Section 34: NE¼NE¼,
Section 35: N½NW¼

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all of those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

W.J.K.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1080.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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

[redacted] [redacted] [redacted]

numbe[illegible]ace 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

W.J.K

14. Lessor hereby ~~covenants and agrees to defend the title to the lands herein described, and agrees~~ 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.

W.J.K

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 William J. Kvenild

William J. Kvenild, a married man dealing in his sole and separate property

S.S.# 520-44-8754

STATE OF Wyoming

COUNTY OF Albany ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 13th day of June, 1997, personally appeared William J. Kvenild, a married man delaing in his sole and separate property 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 duly executed the same as his free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Mar. 4, 2001

CARI WARREN-NOTARY PUBLIC
County of Albany State of Wyoming
My Commission Expires Mar. 4, 2001

Cari Warren
Notary Public

Address: Laramie, WY

STATE OF _____

COUNTY OF _____ ss.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

10/1/97
10:30a

PRODUCERS 88-PAID UP

RECORDED Oct 1, 1997 M
IN BOOK 105016 PAGE 479
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

OIL AND GAS LEASE

263778

AGREEMENT, Made and entered into the 2nd day of June, 19 97, by and between John S. Kyenild, a married man dealing in his sole and separate property whose post office address is Hacienda Carmel #273 Carmel, CA 93923 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 21: E½NE¼
Section 22: S½NW¼, NE¼NW¼, S½
Section 26: S½NW¼, SW¼
Section 27: E½SE¼, SE¼NE¼, N½NE¼, NE¼NW¼
Section 34: NE¼NE¼,
Section 35: N½NW¼

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all of those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

J.S.K.
J. S. K.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1080.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or an acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or an acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or an acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or an acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

J.S.K. J.S.K. 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.

J.S.K. 15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 John S. Kvenild

John S. Kvenild, a married man dealing in his sole and separate property

S.S.# 520-03-3301

STATE OF _____

COUNTY OF _____ **ss.**

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared John S. Kvenild, a married man dealing in his sole and separate property 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 duly executed the same as _____ free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

John Kvenild
Notary Public

Address: Hacienda Carmel

STATE OF _____

COUNTY OF _____ **ss.**

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Monterey

On June 17, 1997 (Date) before me, Susan M. Ainuu (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))

personally appeared John S. Kvenild (Name(s) of Signer(s))

☐ personally known to me
☒ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

VRS2 SUSAN M. AINUU COMM. #1023624 Notary Public-California Monterey County My Comm. Exp. April 17, 1998 VRS2

Susan M Ainuu
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Oil and Gas Lease

Document Date: June 2, 1997 Number of Pages: 2

Signer(s) Other Than Named Above: John S. Kvenild

Capacity(ies) Claimed by Signer(s)

Signer's Name: John S. Kvenild

☒ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

Signer's Name: John S. Kvenild

☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

© 1996 National Notary Association • 8236 Remmet Ave., P.O. Box 7184 • Canoga Park, CA 91309-7184 Prod. No. 5907 Reorder: Call Toll-Free 1-800-876-6827

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

263779

RECORDED Oct. 1 1997 10:30 M
IN BOOK 105016 PAGE 482
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

AGREEMENT, Made and entered into the 2nd day of June 1997, by and between John S. Kyzmid, a married man dealing in his sole and separate property whose post office address is Hacienda Carmel #273 Carmel, CA 93923 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten or 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 35 North, Range 110 West, 6th P.M.
Section 20: E½NE¼, SE¼SE¼
Section 21: W½, W½NE¼, SE¼
Section 27: NW¼NW¼, S½NW¼, NE¼NE¼, SW¼NE¼, W½SE¼, E½SW¼
Section 28: N½, SW¼
Section 29: E½
Section 32: E½NW¼, NE¼
Section 33: NW¼
Section 34: NW¼, W½NE¼, SE¼NE¼

See attached Exhibit "A"

J.S.K.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 2520.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) In calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

J.S.K

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.

J.S.K.

~~15. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then so long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.~~

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 John S. Kvenild

John S. Kvenild, a married man dealing in his sole and separate property S.S.# 520-03-3301

STATE OF _____

COUNTY OF _____ ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared John S. Kvenild, a married man dealing in his sole and separate property 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 duly executed the same as _____ free and voluntary act and deed for the purposes therein set forth.

IN WITNES 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.

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____, AD., 19_____.

My Commission Expires _____

_____
Notary Public

Address: _____

EXHIBIT "A"
Attached to and made a part of a certain
Oil & Gas Lease dated May 28, 1997 by and between
John S. Kvenild, as Lessor, and High Plains Associates, Inc., as Lessee.

At the end of the primary term of this lease, and any extensions thereof under the continuous drilling provisions of Article 1, hereof, Lessee shall release from this lease all those lands which are not contained within a spacing unit which has been approved by the proper governmental authorities for a producing well.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Monterey

On June 17, 1997 (Date) before me, Susan M. Ainuu (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),

personally appeared John S. Kvenid (Name(s) of Signer(s))

☐ personally known to me

☒ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

SUSAN M. AINUU
COMM. #1023624
Notary Public-California
Monterey County
My Comm. Exp. April 17, 1998

Susan M. Ainuu
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Oil and Gas Lease

Document Date: June 2, 1997 Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: John S. Kvenid

☒ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

Signer's Name: _____

☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

© 1996 National Notary Association • 8236 Remmet Ave., P.O. Box 7184 • Canoga Park, CA 91309-7184 Prod. No. 5907 Reorder: Call Toll-Free 1-800-876-6827

[redacted] [redacted] [redacted]

LEASE NO.: 97-00187

PARCEL NO.: 283

FUND: Common School

Form Approved by the Board and Effective March 1, 1993

STATE OF WYOMING
OIL AND GAS LEASE

This indenture of lease entered into by and between the State of Wyoming, acting by and through its Board of Land Commissioners as LESSOR, and the following as LESSEE:

High Plains Associates, Inc.

Section 1. PURPOSE. The LESSOR, in consideration of the rents and royalties to be paid and the covenants and agreements to be kept and performed by the LESSEE, does hereby grant and lease to the LESSEE, the exclusive right to drill for, mine, extract, remove, and dispose of all the oil, gas and associated hydrocarbon substances and gaseous substances and elements produced therewith, including sulphur, hydrogen sulfide, sulphur dioxide, nitrogen, carbon dioxide and helium, which may be produced from the following described land:

640.00 All — Section 16, Twp. 31 N., Rg. 108 W., 6th P.M.

County: Sublette **Total Acres: 640.00** **Advance Rental $: 640.00**
($1.00 per acre or fraction thereof)

Together with the right of ingress and egress and the right to use so much of the surface of said lands as is necessary to construct and maintain thereupon all works, building, plants, waterways, roads, communication lines, pipe lines, reservoirs, tanks, pumping stations, or other facilities necessary to the proper conduct of operations thereunder.

Section 2. TERM OF LEASE. This lease shall become effective on the day and year set out below and shall remain in effect for a primary term of five (5) years and for so long thereafter as leased substances may be produced from the lands in paying quantities. This lease may also be extended beyond its primary term in the absence of production of leased substances as may be provided by the statutes of the State of Wyoming and the regulations of the Board of Land Commissioners adopted pursuant thereto. Provided, however, if drilling, completion, testing or reworking operations are being diligently conducted, either during the primary term or during any extension thereof, this lease shall continue in full force and effect so long as such operations are being conducted and so long thereafter as oil or gas may be produced in paying quantities. This lease may be relinquished or terminated at an earlier date as herein provided.

Section 3. If the LESSOR owns an interest in oil and gas in said land less than the entire fee simple estate, then the royalties and rentals to be paid LESSOR shall be reduced proportionately.

Section 4. LESSEE expressly represents that, if an individual, LESSEE is a citizen of the United States, or has declared an intention to become a citizen, and is over 19 years of age-and if a corporation, is duly qualified to transact business in Wyoming.

Section 5. This lease is issued under the authority conferred by Title 36, W.S. 1977 as to the State and School Lands, and Title 11, W.S. 1977 as to Farm Loan lands, and shall be subject to, and operations by LESSEE hereunder shall be conducted in compliance with the specific lease terms set out on the reverse of this lease, and with all applicable state statutory requirements and the regulations issued thereunder, including those providing for: the leasing of State or Farm Loan Lands for oil and gas; the conservation of oil and gas; and the regulation of security transactions.

Section 6. HEIRS AND SUCCESSORS IN INTEREST. It is covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit thereof shall inure to the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

IN WITNESS WHEREOF, this lease has been executed by LESSOR and LESSEE to become effective on the 2nd day of April, 1997 A.D.

LESSOR, STATE OF WYOMING, Acting by and through its Board of Land Commissioners.

By: _____
Director,
Office of State Lands and Investments

High Plains Associates, Inc.

LESSEE: _____
Louis A. Oswald, III, President

Address: 1557 Ogden Street, Suite 300

City: Denver State: CO Zip: 80218

Telephone No. (303) 830-0888

263780

RECORDED Oct. 1 1997 10:30A M
IN BOOK 105016 PAGE 4816
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Patty Sexton

OIL AND GAS LEASE TERMS

Section 1. THE LESSEE AGREES:

(a) BOND. To furnish a bond with an approved corporate surety company authorized to transact business in the State of Wyoming, or such other surety as may be acceptable to the lessor, in the penal sum as required by the current rules of the State Board of Land Commissioners, conditioned upon the payment of all rentals and royalties accruing to the lessor under the terms hereof, and upon the full compliance with all other terms and conditions of this lease and the rules and regulations relating thereto, and also conditioned on the payment of all damages to the surface and improvements thereon where the lease covers lands the surface of which has been sold or otherwise leased. Such bond or bonds furnished prior to the development of the lands contained in this lease may be increased in such reasonable amounts as the lessor may decide upon commencement of drilling operations and after the discovery of oil or gas.

(b)PAYMENTS. To make all payments accruing hereunder to the Office of State Lands and Investments, 122 West 25th Street, Cheyenne, Wyoming 82002-0600.

(c)RENTALS. Prior to the discovery of oil or gas in paying quantities to pay the lessor in advance, beginning with the effective date hereof, an annual rental of $1.00 per acre or fraction thereof.

After the discovery of oil or gas in paying quantities to pay the lessor in advance beginning with the first day of the lease year succeeding the lease year in which actual discovery was made, an annual rental of $2.00 per acre or fraction thereof, unless changed by agreement. Such rental so paid for any one year shall be credited on the royalty for that year.

Annual rentals on all leases shall be payable in advance for the first year and each year thereafter. No notice of rental due shall be sent to the lessee. If the rental is not paid on or before the date it becomes due, notice of default will be sent to the lessee, and a penalty of $0.50 per acre for late payment will be assessed.

The lessee is not legally obligated to pay either the rental or the penalty, but if the rental and penalty are not paid within thirty (30) days after the notice of default has been received, the lease will terminate automatically by operation of law. Termination of the lease shall not relieve the lessee of any obligation incurred under the lease other than the obligation to pay rental or penalty. The lessee shall not be entitled to a credit on royalty due for any penalty paid for late payments of rental on an operating lease.

(d)ROYALTIES. The royalties to be paid by lessee are:

(i) On oil, one-sixth of that produced, saved, and sold from said land, the same to be delivered at the wells or to the credit of lessor into the pipe line to which the wells may be connected.

(ii) On gas, including casinghead gas or other hydrocarbon substances, produced from said land saved and sold or used off the premises or in the manufacture of gasoline or other products therefrom, the market value at the well of one-sixth of the gas so sold or used, provided that on gas sold at the wells, the royalty shall be one-sixth of the amount realized from such sale.

(iii) On all other hydrocarbons of value and gaseous substances and elements produced or extracted, including propane, butane, sulphur, nitrogen, carbon dioxide, and helium, at such royalty as shall be mutually determined to be fair and reasonable.

(iv) For royalty purposes on gas and natural gasoline the value shall be as approved by the lessor, and in the determination of the value of natural gasoline the fair cost of extraction shall be considered as a deductible item; provided, however, that the allowance for the cost of extraction may exceed two-thirds of the amount or value only on approval of the lessor and in no event shall the price for gas, or natural gasoline, be less than that received by the United State of America for its royalties from the same field.

(v) Natural gas and oil actually used for operating purposes upon the land and, except as to the ultimate sale thereof, gas or liquid hydrocarbons returned to the sand for stimulating the production of oil or secondary recovery purposes shall be royalty free.

(e) DISPOSITION OF ROYALTY OIL AND GAS. To deliver to the lessor, or to such individual, firm or corporation as the lessor may designate, all royalty oil, gas, or other kindred hydrocarbons, free of charge on the premises where produced, or, at the option of the lessor, and in lieu of said royalties in kind, the lessee agrees to pay the lessor the field market price or value of all royalty oil, gas, or other kindred hydrocarbons produced and saved.

When the lessor elects to take its royalty oil, gas, or other hydrocarbons in kind such as oil, gas, or other kindred hydrocarbons shall be good merchantable oil, gas, or other kindred hydrocarbons. The lessee shall if necessary furnish storage for royalty oil free of charge for thirty (30) days after the end of the calendar month in which the oil is produced, upon the leased premises, or at the such place as the lessor and the lessee may mutually agree upon, provided, that the lessee shall not be held liable for loss or destruction of royalty oil so stored from causes beyond his control.

The free storage of oil, as herein provided, shall apply only as long as the said oil is the property of the lessor.

(f) MEASUREMENTS OF PRODUCTION. To gauge, measure and correct for temperature all production from said lands in conformance with the rules and regulations adopted by the Board of Land Commissioners and report said production to the lessor in accordance therewith.

To keep books, records, and reports pertaining to the production from the land herein leased as well as those pertaining to the production from offset wells operated by the lessee, his operator, or sub-lessee on other lands, which shall be opened at all times for the inspection of any duly authorized agent of the lessor.

To furnish the lessor with original pipe line reports showing the day, month, year, amount, gravities, and temperatures of all oil run and with monthly reports showing the month, year, amount, and price of all gas and natural gas gasoline and other products produced and sold from the land herein leased, and the amount of gas returned to the sand.

(g) MONTHLY PAYMENTS AND STATEMENTS. Unless the time of payment is otherwise extended by the Office of State Lands and Investments, to make payment on or before the twentieth (20th) day of the calendar month succeeding the month of production and removal and sale of oil and gas from said land, and to furnish sworn monthly statements therewith showing in detail the quantity and quality of the production (per well if required where practical) from the land hereby leased, and the quantity and quality of the production (per well where practical) from offset wells upon cornering or contiguous land operated by the lessee, his operator or sub-lessee and such other information as may be called for in the form or report prescribed by lessor.

(h) WELLS TO BE DRILLED. To drill and operate effectively all wells necessary to reasonably offset wells upon and production from adjoining lands.

To drill such additional wells at such times or places as are necessary and essential to the proper development and commercial production of the oil and gas content of said land.

(i)LOG OF WELLS AND REPORTS. To keep a log, in the form approved by the lessor, of each well drilled by the lessee on the lands herein leased, showing the strata and character of the formations, water sands and mineral deposits penetrated by the drill, amount of casing, size and where set, and such other information as the lessor may require which log or copy thereof shall be furnished to the lessor.

To file progress reports, in the form prescribed by the lessor, at the end of each thirty (30) day period while each well is being drilled.

To file annually, or at such times as the lessor may require, maps showing the development of the structure and the location of all wells, pipe lines and other works used in connection with the operations of the lessee upon said land.

To make such other reports pertaining to the production and operations by the lessee on said land, and report such other information as may be possessed by the lessee on the wells, production or operations of others on lands on the same geologic structure that may be of importance in effecting proper development and operation of the lands herein leased, as may be called for by the lessor. All logs, maps, and reports shall be submitted in duplicate and the Office of State Lands and Investments may waive such reports as conditions may warrant.

(j)PRODUCTION. To operate the wells upon the land herein leased in a competent and efficient manner in an endeavor to recover all the oil and gas economically possible from said land and to prevent the under drainage of the oil and gas thereunder by wells operated by the lessee or others on cornering or contiguous lands to those leased herein. All plans or methods for the purpose of stimulating or increasing production on lands herein leased other than those in common use shall first be presented to the lessor for approval before being put into actual operation.

No production agreements limiting, restricting, prorating, or otherwise affecting the naturalproduction from said land shall be entered into by the lessee, nor shall the lessee limit, restrict, or prorate the natural production from said land in any way or in any event, except with the consent in writing of the lessor first had an obtained.

(k)SUSPENSION OF OPERATIONS. Should any well drilled upon lands covered by this lease obtain production of oil, gas, or other hydrocarbons in paying quantities and if the lessee is unable to establish a satisfactory market for the oil, gas or hydrocarbons produced from said well, the lessee may apply for and the lessor may grant permission for the suspension of production operations until such times as a satisfactory market for the product from said well can be developed. During the time any such suspension of operations is in effect, the lessee shall continue to pay the annual rental of $2.00 per acre or fraction thereof provided by (c) above, and this lease shall remain in effect as though oil or gas was being produced from said lands.

(l)DILIGENCE-PREVENTION OF WASTE. To exercise reasonable diligence in drilling, producing, and operating of wells on the land covered hereby, unless consent to suspend operations temporarily is granted by the lessor; to carry on all operations hereunder in a good and workmanlike manner in accordance with approved methods and practice, having due regard for the prevention of waste of oil and gas, or the entrance of water to the oil or gas bearing sands or strata to the destruction or injury of such deposits, the preservation and conservation of the property for future productive operations and to the health and safety of workmen and employees; to plug securely in an approved manner any well before abandoning it, and not to abandon any well without permission of the lessor, not to drill any well within two hundred (200) feet of any of the outer boundaries of the land covered hereby, unless to protect against drainage by wells drilled on lands adjoining less than 200 feet from the property lines thereof; to conduct all operations subject to the inspection of the lessor; to carry out at the lessee's expense all reasonable orders and requirements of the lessor relative to the prevention of waste and preservation of the property and the health and safety of workmen including the replanting and reseeding of drilling sites and other areas disturbed by drilling operations and on failure of the lessee so to do the lessor shall have the right, together with other recourse herein provided, to enter on the property to repair damage or prevent waste at the lessee's expense; to abide by and conform to valid applicable regulations prescribed to reimburse the owner of the surface, if other than the lessor, or lessee of grazing rights thereof for actual damages thereto and injury to improvements thereon, provided, that the lessee shall not be held responsible for acts of providence or actions beyond his control.

(m)TAXES AND WAGES-FREEDOM OF PURCHASE. To pay, when due all taxes lawfully assessed and levied under the laws of the State of Wyoming upon improvements, oil and gas produced from the land 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 in conformance with the laws of the State of Wyoming.

(n)ASSIGNMENTS OF LEASE-PRODUCTION AGREEMENTS. Not to assign this lease or any interest therein, nor sublet any portion of the leased premises, except with the consent in writing of the lessor first had and obtained.

All overriding royalties to be valid, must have the approval of the Board or by the Office of State Lands and Investments when authority to do so has been delegated by the Board and will be recorded with the lease. The Board reserves the right of disapproval of such overriding royalties when in its opinion they become excessive and hence are detrimental to the proper development of the leased lands.

(o)DELIVER PREMISES IN CASE OF FORFEITURE. To deliver up the leased premises, with all permanent improvements thereon, in good order and condition in case of forfeiture of this lease, but this shall not be construed to prevent the removal, alteration or renewal of equipment and improvements in the ordinary course of operations.

Section 2. THE LESSOR EXPRESSLY RESERVES:

(a) The right to lease sell, or otherwise dispose of the surface of the land embraced within this lease under existing laws or laws hereafter enacted, and in accordance with the rules of the Board of Land Commissions insofar as the surface is not necessary for the use of the lessee in the conduct of operations hereunder.

(b)The right to lease, sell, or otherwise dispose of other mineral or subsurface resources not covered by the lease, in accordance with the applicable laws and the rules of the Board of Land Commissioners.

(c)From the operation of this lease, the surface lands heretofore granted for rights-of-way and easements and reserves the right to grant such other rights-of-way and easements as provided by the statutes of the State of Wyoming, as long as such rights-of-way and easements do not conflict with the operations for oil and gas on the land herein leased.

(d)The right to refuse to commit the leased lands to a unit plan of development if the Board finds such action would impair the lessor's reserved right to take its royalty gas in kind and to purchase all other gas allocated to the leased lands a provided in Section 3(e)below.

(e)The right to alter or modify the quantity and rate of production to the end that waste may be eliminated or that production may conform to the lessee's fair share of allowable production under any system of State or National curtailment and proration authorized by law.

(f)In addition to its right to take its royalty gas in kind, the lessor reserves the right and option to purchase all other gas produced for sale or use off the leased lands. This option shall be exercised only if the Board finds that the lessee has received and is willing to accept a bona fide offer from a purchaser who intends to sell or transport the gas into interstate commerce and that one or more intrastate purchasers (i.e., purchasers who will use, consume, or sell the gas for use or consumption entirely within the State of Wyoming) are willing and able to purchase the gas upon terms reasonably comparable to and at least as favorable to the lessee as those offered by the interstate purchaser. The Board shall waive this option and permit an interstate sale if it finds that no intrastate purchaser is willing and able to purchase the gas upon terms which are reasonably comparable to and at least as favorable to the lessee. As a condition to such waiver, a satisfactory agreement may be entered into by which the production of its royalty gas may be deferred until it can be produced and sold for consumption and use entirely within the State of Wyoming.

Section 3. APPRAISAL OF IMPROVEMENTS. The lessee shall have the right subject to the provisions of Title 36, as to State and State School Lands, and Title 11, as to Farm Loan Board Lands, W.S. 1977, to remove any improvements owned by lessee within a reasonable time after the termination of this lease. Lessee agrees that any such improvements not removed within a reasonable time after termination of this lease shall be disposed of pursuant to the above statutes.

Section 4. FORFEITURE CLAUSE. The Board shall have the power and authority to cancel leases procured by fraud, deceit, or misrepresentations, or for the use of the lands for unlawful or illegal purposes, or for the violation of the covenants of the lease, upon proper proof thereof, in the event that the lessee shall default in the performance or observance of any of the terms, covenants, and stipulations hereof, or of the general regulations promulgated by the Board of Land Commissioners and in force on the date hereof, the lessor shall serve notice of such failure or default either by personal service or by certified or registered mail upon the lessee, and if such failure or default continues for a period of thirty (30) days after the service of such notice, then and in that event the lessor may, at its option, declare a forfeiture and cancel this lease, whereupon all rights and privileges, obtained by the lessee hereunder shall terminate and cease and the lessor may re-enter and take possession of said premises or any part thereof. These provisions shall not be construed to prevent the exercise by lessor any legal or equitable remedy which the lessor might otherwise have. A waiver of any particular cause or forfeiture shall not prevent the cancellation and forfeiture of this lease by any other cause of forfeiture, or for the same cause occurring at any other time.

Section 5. RELINQUISHMENT AND SURRENDER. This lease may be relinquished and surrendered to lessor as to all or any legal subdivision of said lands as follows:

(a) If no operations have been conducted under the lease on the land to be relinquished, the lessee shall file with the State Land and Farm Loan Board, a written relinquishment or surrender, duly signed and acknowledged and stating therein that no operations have been conducted on the land. The relinquishment so filed shall become effective on the date and hour of receipt thereof in the office of the Director or at some later date, if such be so specified by the lessee therein. If the said relinquishment fails to state that no operations have been conducted, the effective date of relinquishment shall be the date the relinquishment is approved by the Board.

(b) If operations have been conducted under the lease on land proposed to be relinquished, the lessee shall give sixty (60) days notice and shall file with the Director a written relinquishment or surrender duly acknowledged and stating therein that operations have been conducted on the land. The relinquishment shall not become effective until the land and the wells thereon shall have been placed in condition satisfactory to lessor and shall have been approved by the State Oil and Gas Supervisor.

All rentals becoming due prior to a surrender or relinquishment becoming effective, shall be payable by lessee unless payment thereof shall be waived by lessor. A relinquishment having become effective there shall be no [illegible] and the lease as to the relinquished lands may not be reinstated.

STATE LANDS AND
INVESTMENTS
82 DEC 28 PM 2:52

[redacted] [redacted]

LEASE NO.: 97[redacted]188

PARCEL NO.: 284

FUND: Common School

Form Approved by the Board
and Effective March 1, 1982

STATE OF WYOMING
OIL AND GAS LEASE

This indenture of lease entered into by and between the State of Wyoming, acting by and through its Board of Land Commissioners as LESSOR, and the following as LESSEE:

High Plains Associates, Inc

Section 1. PURPOSE. The LESSOR, in consideration of the rents and royalties to be paid and the covenants and agreements to be kept and performed by the LESSEE, does hereby grant and lease to the LESSEE, the exclusive right to drill for, mine, extract, remove, and dispose of all the oil, gas and associated hydrocarbon substances and gaseous substances and elements produced therewith, including sulphur, hydrogen sulfide, sulphur dioxide, nitrogen, carbon dioxide and helium, which may be produced from the following described land:

611.77 Lots 1 thru 6:W½NE¼:W½:NW¼SE¼ Section 16, Twp.31 N.,Rg.109 W.,6th P.M.

County: Sublette Total Acres: 611.77 Advance Rental $: 612.00
($1.00 per acre or fraction thereof)

Together with the right of ingress and egress and the right to use so much of the surface of said lands as is necessary to construct and maintain thereupon all works, building, plants, waterways, roads, communication lines, pipe lines, reservoirs, tanks, pumping stations, or other facilities necessary to the proper conduct of operations thereunder.

Section 2. TERM OF LEASE. This lease shall become effective on the day and year set out below and shall remain in effect for a primary term of five (5) years and for so long thereafter as leased substances may be produced from the lands in paying quantities. This lease may also be extended beyond its primary term in the absence of production of leased substances as may be provided by the statutes of the State of Wyoming and the regulations of the Board of Land Commissioners adopted pursuant thereto. Provided, however, if drilling, completion, testing or reworking operations are being diligently conducted, either during the primary term or during any extension thereof, this lease shall continue in full force and effect so long as such operations are being conducted and so long thereafter as oil or gas may be produced in paying quantities. This lease may be relinquished or terminated at an earlier date as herein provided.

Section 3. If the LESSOR owns an interest in oil and gas in said land less than the entire fee simple estate, then the royalties and rentals to be paid LESSOR shall be reduced proportionately.

Section 4. LESSEE expressly represents that, if an individual, LESSEE is a citizen of the United States, or has declared an intention to become a citizen, and is over 19 years of age-and if a corporation, is duly qualified to transact business in Wyoming.

Section 5. This lease is issued under the authority conferred by Title 36, W.S. 1977 as to the State and School Lands, and Title 11, W.S. 1977 as to Farm Loan lands, and shall be subject to, and operations by LESSEE hereunder shall be conducted in compliance with the specific lease terms set out on the reverse of this lease, and with all applicable state statutory requirements and the regulations issued thereunder, including those providing for: the leasing of State or Farm Loan Lands for oil and gas; the conservation of oil and gas; and the regulation of security transactions.

Section 6. HEIRS AND SUCCESSORS IN INTEREST. It is covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit thereof shall inure to the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

IN WITNESS WHEREOF, this lease has been executed by LESSOR and LESSEE to become effective on the 2nd day of April, 1997 A.D.

LESSOR, STATE OF WYOMING, Acting by and through its Board of Land Commissioners.

STATE LANDS SEAL WYO

By: _____
Director,
Office of State Lands and Investments

High Plains Associates, Inc.

LESSEE: _____
Louis A. Oswald, III, President

Address: 1557 Ogden Street, Suite 300

City: Denver State: CO Zip: 80218

Telephone No. (303) 830-0888

263781

RECORDED Oct. 1 1997 10:30 M
IN BOOK 105 Oct 6 PAGE 488
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

OIL AND GAS LEASE TERMS

Section 1. THE LESSEE AGREES:

(a) BOND. To furnish a bond with an approved corporate surety company authorized to transact business in the State of Wyoming, or such other surety as may be acceptable to the lessor, in the penal sum as required by the current rules of the State Board of Land Commissioners, conditioned upon the payment of all rentals and royalties accruing to the lessor under the terms hereof, and upon the full compliance of all other terms and conditions of this lease and the rules and regulations relating thereto, and also conditioned on the payment of all damages to the surface and improvements thereon where the lease covers lands the surface of which has been sold or otherwise leased. Such bond or bonds furnished prior to the development of the lands contained in this lease may be increased in such reasonable amounts as the lessor may decide upon commencement of drilling operations and after the discovery of oil or gas.

(b)PAYMENTS. To make all payments accruing hereunder to the Office of State Lands and Investments, 122 West 25th Street, Cheyenne, Wyoming 82002-0600.

(c)RENTALS. Prior to the discovery of oil or gas in paying quantities to pay the lessor in advance, beginning with the effective date hereof, an annual rental of $1.00 per acre or fraction thereof.

After the discovery of oil or gas in paying quantities to pay the lessor in advance beginning with the first day of the lease year succeeding the lease year in which actual discovery was made, an annual rental of $2.00 per acre or fraction thereof, unless changed by agreement. Such rental so paid for any one year shall be credited on the royalty for that year.

Annual rentals on all leases shall be payable in advance for the first year and each year thereafter. No notice of rental due shall be sent to the lessee. If the rental is not paid on or before the date it becomes due, notice of default will be sent to the lessee, and a penalty of $0.50 per acre for late payment will be assessed.

The lessee is not legally obligated to pay either the rental or the penalty, but if the rental and penalty are not paid within thirty (30) days after the notice of default has been received, the lease will terminate automatically by operation of law. Termination of the lease shall not relieve the lessee of any obligation incurred under the lease other than the obligation to pay rental or penalty. The lessee shall not be entitled to a credit on royalty due for any penalty paid for late payments of rental on an operating lease.

(d)ROYALTIES. The royalties to be paid by lessee are:

(i) On oil, one-sixth of that produced, saved, and sold from said land, the same to be delivered at the wells or to the credit of lessor into the pipe line to which the wells may be connected.

(ii) On gas, including casinghead gas or other hydrocarbon substances, produced from said land saved and sold or used off the premises or in the manufacture of gasoline or other products therefrom, the market value at the well of one-sixth of the gas so sold or used, provided that on gas sold at the wells, the royalty shall be one-sixth of the amount realized from such sale.

(iii) On all other hydrocarbons of value and gaseous substances and elements produced or extracted, including propane, butane, sulphur, nitrogen, carbon dioxide, and helium, at such royalty as shall be mutually determined to be fair and reasonable.

(iv) For royalty purposes on gas and natural gasoline the value shall be as approved by the lessor, and in the determination of the value of natural gasoline the fair cost of extraction shall be considered as a deductible item; provided, however, that the allowance for the cost of extraction may exceed two-thirds of the amount or value only on approval of the lessor and in no event shall the price for gas, or natural gasoline, be less than that received by the United State of America for its royalties from the same field.

(v) Natural gas and oil actually used for operating purposes upon the land and, except as to the ultimate sale thereof, gas or liquid hydrocarbons returned to the sand for stimulating the production of oil or secondary recovery purposes shall be royalty free.

(e) DISPOSITION OF ROYALTY OIL AND GAS. To deliver to the lessor, or to such individual, firm or corporation as the lessor may designate, all royalty oil, gas, or other kindred hydrocarbons, free of charge on the premises where produced, or, at the option of the lessor, and in lieu of said royalties in kind, the lessee agrees to pay the lessor the field market price or value of all royalty oil, gas, or other kindred hydrocarbons produced and saved.

When the lessor elects to take its royalty oil, gas, or other hydrocarbons in kind such as oil, gas, or other kindred hydrocarbons shall be good merchantable oil, gas, or other kindred hydrocarbons. The lessee shall if necessary furnish storage for royalty oil free of charge for thirty (30) days after the end of the calendar month in which the oil is produced, upon the leased premises, or at the such place as the lessor and the lessee may mutually agree upon, provided, that the lessee shall not be held liable for loss or destruction of royalty oil so stored from causes beyond his control.

The free storage of oil, as herein provided, shall apply only as long as the said oil is the property of the lessor.

(f) MEASUREMENTS OF PRODUCTION. To gauge, measure and correct for temperature all production from said lands in conformance with the rules and regulations adopted by the Board of Land Commissioners and report said production to the lessor in accordance therewith.

To keep books, records, and reports pertaining to the production from the land herein leased as well as those pertaining to the production from offset wells operated by the lessee, his operator, or sub-lessee on other lands, which shall be opened at all times for the inspection of any duly authorized agent of the lessor.

To furnish the lessor with original pipe line reports showing the day, month, year, amount, gravities, and temperatures of all oil run and with monthly reports showing the month, year, amount, and price of all gas and natural gas gasoline and other products produced and sold from the land herein leased, and the amount of gas returned to the sand.

(g) MONTHLY PAYMENTS AND STATEMENTS. Unless the time of payment is otherwise extended by the Office of State Lands and Investments, to make payment on or before the twentieth (20th) day of the calendar month succeeding the month of production and removal and sale of oil and gas from said land, and to furnish sworn monthly statements therewith showing in detail the quantity and quality of the production (per well if required where practical) from the land hereby leased, and the quantity and quality of the production (per well where practical) from offset wells upon cornering or contiguous land operated by the lessee, his operator or sub-lessee and such other information as may be called for in the form or report prescribed by lessor.

(h) WELLS TO BE DRILLED. To drill and operate effectively all wells necessary to reasonably offset wells upon and production from adjoining lands.

To drill such additional wells at such times or places as are necessary and essential to the proper development and commercial production of the oil and gas content of said land.

(i)LOG OF WELLS AND REPORTS. To keep a log, in the form approved by the lessor, of each well drilled by the lessee on the lands herein leased, showing the strata and character of the formations, water sands and mineral deposits penetrated by the drill, amount of casing, size and where set, and such other information as the lessor may require which log or copy thereof shall be furnished to the lessor.

To file progress reports, in the form prescribed by the lessor, at the end of each thirty (30) day period while each well is being drilled.

To file annually, or at such times as the lessor may require, maps showing the development of the structure and the location of all wells, pipe lines and other works used in connection with the operations of the lessee upon said land.

To make such other reports pertaining to the production and operations by the lessee on said land, and report such other information as may be possessed by the lessee on the wells, production or operations of others on lands on the same geologic structure that may be of importance in effecting proper development and operation of the lands herein leased, as may be called for by the lessor. All logs, maps, and reports shall be submitted in duplicate and the Office of State Lands and Investments may waive such reports as conditions may warrant.

(j)PRODUCTION. To operate the wells upon the land herein leased in a competent and efficient manner in an endeavor to recover all the oil and gas economically possible from said land and to prevent the under drainage of the oil and gas thereunder by wells operated by the lessee or others on cornering or contiguous lands to those leased herein. All plans or methods for the purpose of stimulating or increasing production on lands herein leased other than those in common use shall first be presented to the lessor for approval before being put into actual operation.

No production agreements limiting, restricting, prorating, or otherwise affecting the naturalproduction from said land shall be entered into by the lessee, nor shall the lessee limit, restrict, or operate the natural production from said land in any way or in any event, except with the consent in writing of the lessor first had an obtained.

(k)SUSPENSION OF OPERATIONS. Should any well drilled upon lands covered by this lease obtain production of oil, gas, or other hydrocarbons in paying quantities and if the lessee is unable to establish a satisfactory market for the oil, gas or hydrocarbons produced from said well, the lessee may apply for and the lessor may grant permission for the suspension of production operations until such times as a satisfactory market for the product from said well can be developed. During the time any such suspension of operations is in effect, the lessee shall continue to pay the annual rental of $2.00 per acre or fraction thereof provided by (c) above, and this lease shall remain in effect as though oil or gas was being produced from said lands.

(l)DILIGENCE-PREVENTION OF WASTE. To exercise reasonable diligence in drilling, producing, and operating of wells on the land covered hereby, unless consent to suspend operations temporarily is granted by the lessor; to carry on all operations hereunder in a good and workmanlike manner in accordance with approved methods and practice, having due regard for the prevention of waste of oil and gas, or the entrance of water to the oil or gas bearing sands or strata to the destruction or injury of such deposits, the preservation and conservation of the property for future productive operations and to the health and safety of workmen and employees; to plug securely in an approved manner any well before abandoning it, and not to abandon any well without permission of the lessor, not to drill any well within two hundred (200) feet of any of the outer boundaries of the land covered hereby, unless to protect against drainage by wells drilled on lands adjoining less than 200 feet from the property lines thereof) to conduct all operations subject to the inspection of the lessor; to carry out at the lessee's expense all reasonable orders and requirements of the lessor relative to the prevention of waste and preservation of the property and the health and safety of workmen including the replanting and reseeding of drilling sites and other areas disturbed by drilling operations and on failure of the lessee so to do the lessor shall have the right, together with other recourse herein provided, to enter on the property to repair damage or prevent waste at the lessee's expense; to abide by and conform to valid applicable regulations prescribed to reimburse the owner of the surface, if other than the lessor, or lessee of grazing rights thereof for actual damages thereto and injury to improvements thereon, provided, that the lessee shall not be held responsible for acts of providence or actions beyond his control.

(m)TAXES AND WAGES-FREEDOM OF PURCHASE. To pay, when due all taxes lawfully assessed and levied under the laws of the State of Wyoming upon improvements, oil and gas produced from the land 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 in conformance with the laws of the State of Wyoming.

(n)ASSIGNMENTS OF LEASE-PRODUCTION AGREEMENTS. Not to assign this lease or any interest therein, nor subject any portion of the leased premises, except with the consent in writing of the lessor first had and obtained.

All overriding royalties to be valid, must have the approval of the Board or by the Office of State Lands and Investments when authority to do so has been delegated by the Board and will be recorded with the lease. The Board reserves the right of disapproval of such overriding royalties when in its opinion they become excessive and hence are detrimental to the proper development of the leased lands.

(o)DELIVER PREMISES IN CASE OF FORFEITURE. To deliver up the leased premises, with all permanent improvements thereon, in good order and condition in case of forfeiture of this lease, but this shall not be construed to prevent the removal, alteration or renewal of equipment and improvements in the ordinary course of operations.

Section 2. THE LESSOR EXPRESSLY RESERVES:

(a) The right to lease sell, or otherwise dispose of the surface of the land embraced within this lease under existing laws or laws hereafter enacted, and in accordance with the rules of the Board of Land Commissions insofar as the surface is not necessary for the use of the lessee in the conduct of operations hereunder.

(b)The right to lease, sell, or otherwise dispose of other mineral or subsurface resources not covered by the lease, in accordance with the applicable laws and the rules of the Board of Land Commissioners.

(c)From the operation of this lease, the surface lands heretofore granted for rights-of-way and easements and reserves the right to grant such other rights-of-way and easements as provided by the statutes of the State of Wyoming, as long as such rights-of-way and easements do not conflict with the operations for oil and gas on the land herein leased.

(d)The right to refuse to commit the leased lands to a unit plan of development if the Board finds such action would impair the lessor's reserved right to take its royalty gas in kind and to purchase all other gas allocated to the leased lands a provided in Section 3(e)below.

(e)The right to alter or modify the quantity and rate of production to the end that waste may be eliminated or that production may conform to the lessee's fair share of allowable production under any system of State or National curtailment and proration authorized by law.

(f)In addition to its right to take its royalty gas in kind, the lessor reserves the right and option to purchase all other gas produced for sale or use off the leased lands. This option shall be exercised only if the Board finds that the lessee has received and is willing to accept a bona fide offer from a purchaser who intends to sell or transport the gas into interstate commerce and that one or more intrastate purchasers (i.e., purchasers who will use, consume, or sell the gas for use or consumption entirely within the State of Wyoming) are willing and able to purchase the gas upon terms reasonably comparable to and at least as favorable to the lessee as those offered by the interstate purchaser. The Board shall waive this option and permit an interstate sale if it finds that no intrastate purchaser is willing and able to purchase the gas upon terms which are reasonably comparable to and at least as favorable to the lessee. As a condition to such waiver a satisfactory agreement may be entered into by which the production of its royalty gas may be deferred until it can be produced and sold for consumption and use entirely within the State of Wyoming.

Section 3. APPRAISAL OF IMPROVEMENTS. The lessee shall have the right subject to the provisions of Title 36, as to State and State School Lands, and Title 11, as to Farm Loan Board Lands, W.S. 1977, to remove any improvements owned by lessee within a reasonable time after the termination of this lease. Lessee agrees that any such improvements not removed within a reasonable time after termination of this lease shall be disposed of pursuant to the above statutes.

Section 4. FORFEITURE CLAUSE. The Board shall have the power and authority to cancel leases procured by fraud, deceit, or misrepresentations, or for the use of the lands for unlawful or illegal purposes, or for the violation of the covenants of the lease, upon proper proof thereof, in the event that the lessee shall default in the performance or observance of any of the terms, covenants, and stipulations hereof, or of the general regulations promulgated by the Board of Land Commissioners and in force on the date hereof, the lessor shall serve notice of such failure or default either by personal service or by certified or registered mail upon the lessee, and if such failure or default continues for a period of thirty (30) days after the service of such notice, then and in that event the lessor may, at its option, declare a forfeiture and cancel this lease, whereupon all rights and privileges, obtained by the lessee hereunder shall terminate and cease and the lessor may re-enter and take possession of said premises or any part thereof. These provisions shall not be construed to prevent the exercise by lessor any legal or equitable remedy which the lessor might otherwise have. A waiver of any particular cause or forfeiture shall not prevent the cancellation and forfeiture of this lease by any other cause of forfeiture, or for the same cause occurring at any other time.

Section 5. RELINQUISHMENT AND SURRENDER. This lease may be relinquished and surrendered to lessor as to all or any legal subdivision of said lands as follows:

(a) If no operations have been conducted under the lease on the land to be relinquished, the lessee shall file with the State Land and Farm Loan Board, a written relinquishment or surrender, duly signed and acknowledged and stating therein that no operations have been conducted on the land. The relinquishment so filed shall become effective on the date and hour of receipt thereof in the office of the Director or at some later date, if such be so specified by the lessee therein. If the said relinquishment fails to state that no operations have been conducted, the effective date of relinquishment shall be the date the relinquishment is approved by the Board.

(b) If operations have been conducted under the lease on land proposed to be relinquished, the lessee shall give sixty (60) days notice and shall file with the Director a written relinquishment or surrender duly acknowledged and stating therein that operations have been conducted on the land. The relinquishment shall not become effective until the land and the wells thereon shall have been placed in condition acceptable to lessor and shall have been approved by the State Oil and Gas Supervisor.

All rentals according due prior to a surrender or relinquishment becoming effective, shall be payable by lessee unless payment thereof shall be waived by lessor. A relinquishment having become effective there shall be no recourse by lessee and the lease as to the relinquished lands may not be reinstated.

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STATE LANDS AND INVESTMENTS

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PRODUCERS 88- PAID
Rev. 5-60, No. 25-4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 26th day of March, 19 97, by and between Ruth K. Nelson, a married woman dealing in her sole and separate property whose post office address is 3070 Casey Drive, #204, Las Vegas, NV 89120, hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 34 North, Range 112 West, 6th P.M.
Section 3: Lots 1(40.32), 2(40.41), 3(40.49), SW/4, W/2SE/4, SE/4SE/4, S/2NE/4, SE/4NW/4
Section 4: SE/4SE/4
Section 24: W/2SW/4, S/2SE/4
Section 25: N/2, N/2S/2, SW/4SE/4

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RECORDED Oct. 1 1997 10:30 M
IN BOOK 105 D+E PAGE 490
FEES $8.00
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Chris Burton

and containing 1241.22 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5(five) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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 Ruth K. Nelson

Ruth K. Nelson, a married Woman dealing in her sole and separate property

SS#

490

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Nevada }
COUNTY OF Clark } ss.

On this ..... day of April ..... 19 97 ....., before me personally appeared

Ruth K. Nelson, a married woman dealing in her sole and separate property

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

Julie Brown
Notary Public

My commission expires:
9.10.00

Residing at 3333 E. Tropicana
LV NV 89121

JULIE BROWN
Notary Public - Nevada
My appt. exp. Sep. 10, 2000
No. 96-4746-1

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

.....

.....

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

..... known to me to be the .....

of .....

the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

RECORDING DATA

[redacted] [redacted] 11[redacted]

PRODUCERS 88 - PAID UP
Rev. 5-60, No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 26th day of March, 19 97, by and between

Koch Ranch, Inc.

whose post office address is P.O. Box 1295, Pinedale, WY 82941, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden Street, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More ($10.00) 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 34 North, Range 112 West, 6th P.M.
Section 3: Lots 1(40.32), 2(40.41), 3(40.49), SW/4, W/2SE/4, SE/4SE/4, S/2NE/4, SE/4NW/4
Section 4: SE/4SE/4

263783

RECORDED Oct. 1, 1997 10:30 M
IN BOOK ID5016 PAGE 492
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
COUNTY CLERK
By Cathy Sacta.

and containing 561.22 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of (5)five 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 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, particulary, 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 Lessors. 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 William Koch
Koch Ranch, Inc.
William Koch, President
Tax ID# 83-0228 6-50

x Lois Koch
Attest: Lois Koch, Secretary/Treasurer

x [signature]
High Plains Associates, Inc.

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this 18th day of March 19 97, before me personally appeared
William Koch, president

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

Bethany A. Bonis
Notary Public

My commission expires:
[illegible]

Residing at Pinedale, Wy

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this ..... day of April 19 97, before me personally appeared
William Koch known to me to be the President
of Koch Ranch, Inc.
the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:

.....

Residing at .....

RECORDING DATA

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 27th day of March, 19 97, by and between Shaya Kanski and Janice J. Kanski, Trustees of the Janice K. Kanski Living Trust dated 9-14-1992 whose post office address is 330 Islander Lane, Lake Havasu City, AZ 86403 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden St., Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 34 North, Range 110 West, 6th P.M.
Section 15: W/2SE/4SW/4, W/2E/2SE/4SW/4
Section 22: W/2NE/4NW/4, W/2E/2NE/4NW/4

263784

RECORDED Oct. 1 1997 10:30 M
IN BOOK 103 OMG PAGE 494
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 60.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5(five) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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 another 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Steve Kanski
Steve Kanski

x Janice J. Kanski
Janice J. Kanski

Trustees of the Janice K. Kanski Living Trust dated 9-14-1992

STATE OF Arizona
COUNTY OF Mohave
ss.

ACKNOWLEDGMENT-INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27th day of March, 19 97, personally appeared Steve Kanski and Janice J. Kanski, Trustees of the Janice K. Kanski Living Trust ~~and~~ dated 9-14-1992 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 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.

"OFFICIAL SEAL"
Alice Y. Van Stockum
Notary Public-Arizona
Mohave County
My Commission Expires 9/11/98

My Commission Expires Sept 11, 1998

Alice Y. Van Stockum
Notary Public
Address: 3331 Thunderbird Dr.
Lake Havasu City, AZ 86406

STATE OF _____
COUNTY OF _____
ss.

CORPORATE
(For use in all states)

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.

Witness my hand and seal this _____ day of _____ AD., 19____.

My Commission Expires _____

_____
Notary Public
Address: _____

[redacted] [redacted] [redacted]

1100 1

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 27th day of March, 19 97, by and between Janice J. Kanski and Steve Kanski, wife and husband whose post office address is 330 Islander Lane, Lake Havasu City, AZ 86403 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden St., Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of _____ 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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 34 North, Range 110 West, 6th P.M.
Section 15: NE/4NW/4

263785

RECORDED Oct. 1 1997 M 10:30
IN BOOK 1050 PAGE 496
FEES $8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sutton

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 40.00 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5(five) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.

17. 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 Janice J. Kanski
Janice J. Kanski
SS# 520-40-5579

x Steve Kanski
Steve Kanski

STATE OF Arizona
COUNTY OF Mohave
ss.

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 7th day of April, 1997, personally appeared Janice J. Kanski and Steve Kanski, wife and husband 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 purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

My Commission Expires September 11, 1998

OFFICIAL SEAL
Alice Y. Van Stockum
Notary Public-Arizona
Mohave County
My Commission Expires 9/11/98

Alice Y. Van Stockum
Notary Public
Address: 3331 Thunderbird Dr
Lake Havasu City, AZ 86406

STATE OF _____
COUNTY OF _____
ss.

CORPORATE
(For use in all states)

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.

Witness my hand and seal this _____ day of _____ AD., 19____.

My Commission Expires _____

_____
Notary Public
Address: _____

[redacted] [redacted] [redacted] 110198

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 11th day of July, 19 97, by and between Barger Family Partnership, a Nevada limited partnership, Elizabeth A. Ellis, general partner whose post office address is 1511 Albany, Rock Springs, Wyoming 82901 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc., 1557 Ogden Street, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten And More (10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "Hydrocarbons") 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:

263786

RECORDED Oct. 1, 1997 M 10:30A
IN BOOK 105 OR PAGE 498
FEES $ 13.00
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

SEE EXHIBIT "A" AND EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 3,777.552 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the _____ (the pri_____ term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~

17. 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.

Elizabeth A. Ellis

Barger Family Partnership, a Nevada limited partnership,
Elizabeth A. Ellis, general partner

Tax ID No. 88-0259819

STATE OF WYOMING
ss.
COUNTY OF SUBLETTE

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 11th day of July, 19 97, personally appeared Elizabeth A. Ellis, general partner of Barger Family Partnership, a Nevada limited partnership 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 she duly executed the same as her free and voluntary act and deed for the purposes therein set forth.

IN WITNES WHEREOF, I have hereunto set my hand and affixed my notariaL seal the day and year last above written.

My Commission Expires _____

DEBI K. RULAND – NOTARY PUBLIC
County of Sublette — State of Wyoming
My Commission Expires Sept. 14, 2000

Debi K. Ruland
Notary Public

Address: Pinedale Wyo.

STATE OF _____
ss.
COUNTY OF _____

CORPORATE
(For use in all states)

On this _____ day of _____, A.D. 19 _____, before me personally appeared _____ to me personally known, who, being by me

Witness my hand and seal this _____ day of _____ AD., 19_____.

My Commission Expires _____

Notary Public

Address: _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated July 11, 1997, by and between the Barger Family Partnership, a Nevada Limited Partnership, Elizabeth A. Ellis, General Partner, as Lessor and High Plains Associates, Inc., as Lessee.

TOWNSHIP 31 NORTH, RANGE 108 WEST, 6th PM

Section 5:	Lot 1 (18.75), Lot 2 (40.30), Lot 3 (40.22), Lot 5 (27.59), Lot 6 (46.18), Lot 7 (33.25), Lot 8 (23.37), Lot 9 (15.79), Lot 13 (42.44), SW/4NE/4 & SE/4NW/4
Section 6:	Lot 8 (32.95), Lot 9 (26.58), Lot 10 (37.87) & Lot 11 (40.32)
Section 8:	NW/4NW/4

TOWNSHIP 32 NORTH, RANGE 108 WEST, 6th PM

Section 15:	NE/4, E/2NW/4, E/2SW/4NW/4, SW/4 & SE/4
Section 16:	All of Section 16, Less and Except a 99.008 acre tract, more particularly described in that certain Warranty Deed dated January 27, 1939 and recorded in Book 3, at Page 438, by and between W. W. Bowers, a single person, party of the first part And H. W. Edwards and Georgene K. Edwards, his wife, parties of the second part. Also, Less and Except a 12.26 acre tract, more particularly de- scribed in that certain Warranty Deed dated June 16, 1939 and recorded in Book 3, at Page 479, by and between W. W. Bowers, a single person, grantor, and Nan C. Anderson, grantee.
Section 17:	Lot 4 (40.73 acres), SE/4 & S/2NE/4, excepting that portion of said S/2NE/4 lying North of the Right-Of-Way of the Paradise Road, Sublette County Road No. 23-36
Section 20:	NE/4NE/4, SE/4NE/4, NE/4SE/4 & SE/4SE/4, (A/D/A E/2E/2)
Section 21:	NW/4, N/2SW/4 & SE/4SW/4
Section 28:	SW/4, N/2NW/4 & SE/4NW/4
Section 29:	E/2NE/4, SW/4NE/4 & SE/4, Lot 4 (40.30), Lot 5 (40.49), Lot 6 (40.60), Lot 7 (40.60) & Lot 8 (40.49)
Section 32:	NE/4 & NW/4, (A/D/A N/2) and SE/4
Section 33:	NW/4

Sublette County, Wyoming
Containing 3,777.552 Acres, More or Less

Signed For Identification

Barger Family Partnership, a
Nevada Limited Partnership,
Elizabeth A. Ellis, General Partner

EXHIBIT "B"

Attached hereto and made a part of that certain Oil and Gas Lease dated July 11, 1997, by and between the Barger Family Partnership, a Nevada Limited Partnership, Elizabeth A. Ellis, General Partner, as Lessor and High Plains Associates, Inc., as Lessee.

1. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflicts or ambiguities.

2. If this lease is beyond the primary term and would expire by its terms except for the fact that acreage subject to the lease is pooled, communitized or unitized for production or that Lessee is engaged in drilling or reworking operations on the leased premises, then upon written request by Lessor, Lessee shall release all acreage subject to the lease which is not pooled, cummunitized or unitized for production or upon which Lessee is not engaged in drilling or reworking operations.

   This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more than 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another well.

3. All references herein made to a 1/8th royalty, are hereby amended to read 15% royalty.

Signed for identification

Elizabeth A. Ellis

Barger Family Partnership, a
Nevada Limited Partnership,
Elizabeth A. Ellis, General Partner

[redacted] [redacted] [redacted] 110854

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 5th day of May, 19 97, by and between Jeptha E. Richie, a single man and Norman H. Richie, a single man whose post office address is 977 Highway 353, Boulder, Wyoming 82923 hereinafter called Lessor (whether one or more) and High Plains Associates, Inc. whose post office address is 1557 Ogden St., Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten and More ($10.00) 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 along with all hydrocarbons and non-hydrocarbon substances produced in association therewith, specifically including coalbed methane and any and all substances produced in association therewith from coal-bearing formations, helium, carbon dioxide, sulfur compounds and all other commercial gases (collectively "oil and gas" or "hydrocarbons") 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 MADE A PART HEREOF!

263787

RECORDED Oct. 1 1997 M
IN BOOK 1D3016 PAGE 502
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Burton

10:30a

together with any reversionary rights therein, and together with all strips, or parcels of land, (not, however, to be construed to include parcels comprising a regular 40-acre legal subdivision or lot of approximately corresponding size) adjoining or contiguous to the above described land and owned or claimed by Lessor, and containing 1371.20 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of Five (5) years from this date and as long thereafter as Hydrocarbons are produced from said leased premises or on acreage pooled communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, Hydrocarbons are not being produced on the leased premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling or reworking for other operations or restoring production on the lease premises or then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises or on acreage pooled communitized or unitized therewith; and operations shall be considered to be continuously prosecuted if Lessee diligently prosecutes operations for obtaining or restoring production on the lease premises or, 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 Hydrocarbons on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking for other operations for obtaining or restoring production on the lease premises or operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If Hydrocarbons 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 Hydrocarbons are produced from the leased premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. For the consideration set forth above, 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. Royalty Payment. Royalties on Hydrocarbons shall be paid by Lessee to Lessor as follows:

(a) for oil and other liquid Hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-eighth of such production, to be delivered at Lessee's option to Lessor at the wellhead or to the Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to sell such production to itself or an affiliate at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similarly grade and gravity;

(b) for gas (including casinghead gas) and all other gaseous Hydrocarbons, the royalty shall be one-eighth of the proceeds realized by the Lessee from the sale thereof, provided, that Lessee shall have the continuing right to sell such production to itself or an affiliate at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase agreements entered into on the same or in the nearest preceding date as the date on which the Lessee or its affiliate commences its purchases hereunder; and

(c) in calculating the royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes and any costs incurred by Lessee in treating, processing, delivering and otherwise marketing such production.

4. If after the primary term one or more wells on the lease premises or lands pooled to unitize therewith are capable of producing Hydrocarbons in paying quantities, but the other wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purposes of maintaining this lease. If for a period of 120 consecutive days, such well or wells are shut-in or production therefrom is not sold by Lessee, then Lessee shall pay an aggregate shut-in royalty of $1.00 per acre then covered by this lease, with such payment to be made to Lessor or to Lessor's credit in a depository designated in this lease, on or before the end of said 120-day period and thereafter on or before the anniversary of the end of said 120-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by the payment of rental or operations, or if production is being sold by Lessee from another well or wells on the lease premises or lands pooled to unitize therewith, no shut-in royalty shall be due until the end of the 120-day period following the end of the rental period or cessation of such operations or production, as the case may be. Lessee's failure to properly pay shut-in royalty hereunder shall render Lessee liable in the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns 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~~ 600 feet to the house or barn now on said premises without written consent of Lessor. J.E.R. N.H.R.

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. J.E.R. N.H.R.

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, communitize 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 Hydrocarbons, individually or in the aggregate, 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, communitize, 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 td 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 content 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. Pooling, communitization, unitization or otherwise combining all or any portion of the above described lands shall not constitute a cross conveyance of interests.

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, an event of "force majeure" or if such failure is the result of, any such Law, Order, Rule or Regulation. "Force majeure" shall mean an event causing a delay in drilling, reworking, production or other operations which are prevented or delayed by laws, rules, regulations or orders, or by an inability to obtain necessary permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike, or labor disputes, or by an inability to obtain a satisfactory market for production or a failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control. If Lessee's performance is affected by an event of force majeure, this lease shall not terminate and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall take all reasonable and necessary actions to remedy the event of force majeure. Lessee shall not be liable for breach of any provisions, either express or implied, to this lease during the continuance of an event of force majeure.

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. Preferential Right. If, during the term of this lease (but not more than 20 years after the date hereof), Lessor receives a bona fide offer from any party to purchase a new lease covering all or any part of the lands or substances covered hereby, and if Lessor is willing to accept such offer, then Lessor shall promptly notify Lessee in writing of the name and address of the offeror, and of all pertinent terms and conditions of the offer, including any lease bonus offered. Lessee shall have a period of 30 days after receipt of such notice to exercise a preferential right to purchase a new lease from Lessor in accordance with the terms and conditions of the offer, by giving Lessor written notice of such exercise. Promptly thereafter, Lessee shall furnish to Lessor the new lease for execution, along with a time draft for the lease bonus conditioned upon execution and delivery of the lease by Lessor and approval of title by Lessee, all in accordance with the terms of said draft. Whether or not Lessee exercises its preferential right hereunder, then as long as this lease remains in effect, any new lease from Lessor shall be subordinate to this lease and shall not be construed as replacing or adding to Lessee's obligations hereunder.

~~16. Extension of Primary Term. For the consideration herein recited, Lessor hereby grants to Lessee the exclusive right and option to extend the primary term of this lease for five (5) additional years by mailing to Lessor at the address listed on this lease, on or before the end of the primary term, a bonus consideration equal to one hundred fifty percent (150%) of the bonus consideration originally paid for this lease, which payment shall represent payment in full of consideration for this extension.~~ J.E.R. J.E.R. N.H.R. N.H.R.

17. 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 Jeptha E. Richie
Jeptha E. Richie
SSN: 520-32-2270

x Norman H. Richie
Norman H. Richie
SSN: 520-23-2236

STATE OF Wyoming
ss.
COUNTY OF Sublette

ACKNOWLEDGMENT–INDIVIDUAL
(For use in all states)

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 5th day of May, 1997, personally appeared Jeptha E. Richie, a single man and Norman H. Richie, a single man 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 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 12/12/98

SUSAN J. HANSON - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 12, 1998

Susan J. Hanson
Notary Public
Address: Pinedale Wyoming

STATE OF _____
ss.
COUNTY OF _____

CORPORATE
(For use in all states)

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.

Witness my hand and seal this _____ day of _____ AD., 19____.

My Commission Expires _____

_____
Notary Public
Address: _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated May, 1997, by and between Norman H. Richie, a single man and Jeptha E. Richie, a single man, as Lessors, and High Plains Associates, Inc., as Lessee.

Township 31 North, Range 108 West, 6th P.M.

Section 4: Lot 2(40.24 acres), Lot 3(40.40 acres) & Lot 4(40.56 acres)

Township 32 North, Range 108 West, 6th P.M.

Section 21: E/2
Section 28: E/2
Section 33: E/2 & SW/4
Section 34: All of the SW/4 lying South and East of the East Fork River

Excepting And Reserving Therefrom the following described tracts, to wit:

1. A parcel or tract of land situate in the SE/4SE/4, Section 33-T32N-R108W, 6th P.M., Sublette County, Wyoming, said parcel being more particularly described as follows: Beginning at the Southeast corner of Section 33, thence North along the East line of the Section, a distanc eof 295.16 feet; thence N.89degrees50minutes West, parallel with the south line of the section, a distance of 295.16 feet; thence South, parallel with the East line of the section, a distance of 295.16 feet; thence S.89degrees50minutes East, along the South line of the section, a distance of 295.16 feet to the point of beginning.

2. A parcel or tract of land situate in the SE/4NE/4, Section 33-T32N-R108W, 6th P.M., Sublette County, Wyoming, said parcel being more particularly described as follows: Beginning at a point which bears South 139.7 feet distant from the Northeast Corner of the SE/4NE/4 of Section 33; thence South 696.02 feet; thence West 208.70 feet; thence North 153.81 feet; thence West 208.70 feet; thence North 264.51 feet; thence East 208.70 feet; thence North 277.70 feet; thence East 208.70 feet to the point of beginning.

Sublette County, Wyoming
Containing 1371.20 acres, more or less

All references herein made to a one-eighth (1/8th) roaylty, are hereby amended to read fifteen percent 15% royalty.

Signed for identification

Norman H. Richie

Norman H. Richie

Jeptha E. Richie

Jeptha E. Richie

505

11021 N

PRODUCERS 88 PAID UP
Rev. 5-60, No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of May, 19 97, by and between

Earl Babcock and Nadine Babcock, husband and wife

whose post office address is 10555 E. Arrowvale Road, Sun Lakes, AZ 85248, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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:

263788

RECORDED Oct. 1, 1997 10:30 M
IN BOOK 105 OPR PAGE 505
FEES $ 7.50
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

See Exhibit 'A' for Land description

See Exhibit 'B' for additional and amended lease provisions

and containing 5173.19 E&B 5184.49 N.F.B acres, more or less.

1. It is agreed that this lease shall remain in force for a term of 5(five) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseshold 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 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, particulary, 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 Lessors. 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 Earl Babcock
Earl Babcock
520-24-5284

x Nadine F. Babcock
Nadine Babcock
282-50-8792

[redacted] [redacted] [redacted]

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF [redacted] ARIZONA
COUNTY OF [redacted] MARI... } ss.

On this ..... 6 ..... day of ..May..... 19 .97....., before me personally appeared
...Earl Babcock and Nadine Babcock, husband and wife.....
.....
known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

My commission expires:
.....

OFFICIAL SEAL
DONNA J. BOBIER
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Mar. 27, 1998

.....Donna J. Bobier.....
Notary Public

Residing at .....Sun Lakes.....

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF.....
COUNTY OF..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared
.....
.....
known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

.....
Notary Public

My commission expires:
.....

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF.....
COUNTY OF..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared
..... known to me to be the .....
of .....
the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

.....
Notary Public

My commission expires:
.....

Residing at .....

RECORDING DATA

EXHIBIT 'A'

Land Description:

Township 34 North, Range 110 West, 6th P.M.
Section 6: Lots 4(29.97), 5(30.52), 6(30.94), 7(31.35)

Township 34 North, Range 111 West, 6th P.M.
Section 1: Lots 1(39.92), 2(39.78), 3(39.62), 4(39.48), S/2N/2, N/2SW/4, SE/4SW/4, SE/4
Section 2: Lots 1(39.35), 2(39.26), S/2NE/4, N/2SE/4
Section 3: Lots 2(38.98), 3(38.96), 4(38.93), SW/4NE/4, S/2NW/4, SW/4, W/2SE/4
Section 4: Lots 1(38.85), 2(38.73), 3(38.59), S/2N/2, SE/4, E/2SW/4, NW/4SW/4
Section 5: SE/4NE/4, NE/4SE/4, and a 11.30 acre tract located in the S/2NW/4 more fully described in Warranty Deed in Book 17 Deeds, Page 224, dated 9-5-74, recorded 9-5-74.
Section 9: N/2N/2
Section 10: SW/4NE/4, NW/4, N/2SW/4, NW/4SE/4

Township 35 North, Range 110 West, 6th P.M.
Section 31: Lots 3(30.02), 4(29.94)

Township 35 North, Range 111 West, 6th P.M.
Section 25: S/2SW/4
Section 26: S/2S/2
Section 27: S/2N/2, S/2
Section 28: E/2
Section 33: E/2
Section 34: NW/4, N/2NE/4, SE/4NE/4, NE/4SE/4, N/2SW/4
Section 35: E/2, NE/4NW/4, S/2NW/4, E/2SW/4, NW/4SW/4

Township 36 North, Range 112 West, 6th P.M.
Section 25: N/2NE/4, SW/4NE/4, N/2SE/4, SE/4SE/4

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 28, 1997 BETWEEN EARL BABCOCK AND NADINE BABCOCK, HUSBAND AND WIFE, LESSORS, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

EXHIBIT "B"
Page 2

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Earl Babcock
EARL BABCOCK

Nadine Babcock
NADINE BABCOCK

JOYCE J. JOHNSON - NOTARY P
County of Sublette
State of Wyoming
My Commission Expires February 2, 2000

Joyce J Johnson
2-2-2000

[redacted] [redacted] 110 [redacted]

PRODUCERS 88 - PAID UP
Rev. 5-60, No. 2--4-89

Billings Blue Print
Billings, Montana

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 2nd day of may, 19 97, by and between

Karmen Marincic, a widow

whose post office address is Box 128, Daniel, WY 83115, hereinafter called Lessor (whether one or more) and

High Plains Associates, Inc. whose post office address is 1557 Ogden, Suite 300, Denver, CO 80218 hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of Ten ($10.00) and 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:

263789

RECORDED Oct. 1, 1997 10:30 M
IN BOOK 108 of 6 PAGE 510
FEES $ 17.50
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cat Sexton

See Exhibit 'A' for Land Description

See Exhibit 'B' for additional and amended lease provisions

and containing 5173.19 acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) 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-eight (⅛) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (⅛) 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 (⅛), payable monthly at the prevailing market rate for gas.

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 (⅛) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

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 said 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 lines 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 leaseshold 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 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, particulary, 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 Lessors. 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 Karmen Marincic
Karmen Marincic
520-34-9092

510

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF Wyoming }
COUNTY OF Sublette } ss.

On this 7th day of May 19 97, before me personally appeared
Karmen Marincic, a widow

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

Notary Public

My commission expires:
6/7/98

Residing at PINEDALE WY

ACKNOWLEDGMENT FOR INDIVIDUAL

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared

known to me to be the person(s) described in and who executed the foregoing instrument, and who acknowledged to me that he (she, they) executed the same.

Notary Public

My commission expires:

Residing at .....

ACKNOWLEDGMENT FOR CORPORATION

STATE OF .....
COUNTY OF ..... } ss.

On this ..... day of ..... 19 ....., before me personally appeared
..... known to me to be the .....
of .....
the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

Notary Public

My commission expires:

Residing at .....

RECORDING DATA

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Attached to and made apart of Oil and Gas lease dated May 2, 1997 between Karmen Marincic, a widow, Lessor, and High Plains Associates, Inc., Lessee.

Land Description:

Township 34 North, Range 110 West, 6th P.M.
Section 6: Lots 4(29.97), 5(30.52), 6(30.94), 7(31.35)

Township 34 North, Range 111 West, 6th P.M.
Section 1: Lots 1(39.92), 2(39.78), 3(39.62), 4(39.48), S/2N/2, N/2SW/4, SE/4SW/4, SE/4
Section 2: Lots 1(39.35), 2(39.26), S/2NE/4, N/2SE/4
Section 3: Lots 2(38.98), 3(38.96), 4(38.93), SW/4NE/4, S/2NW/4, SW/4, W/2SE/4
Section 4: Lots 1(38.85), 2(38.73), 3(38.59), S/2N/2, SE/4, E/2SW/4, NW/4SW/4
Section 5: SE/4NE/4, NE/4SE/4
Section 9: N/2N/2
Section 10: SW/4NE/4, NW/4, N/2SW/4, NW/4SE/4

Township 35 North, Range 110 West, 6th P.M.
Section 31: Lots 3(30.02), 4(29.94)

Township 35 North, Range 111 West, 6th P.M.
Section 25: S/2SW/4
Section 26: S/2S/2
Section 27: S/2N/2, S/2
Section 28: E/2
Section 33: E/2
Section 34: NW/4, N/2NE/4, SE/4NE/4, NE/4SE/4, N/2SW/4
Section 35: E/2, NE/4NW/4, S/2NW/4, E/2SW/4, NW/4SW/4

Township 36 North, Range 112 West, 6th P.M.
Section 25: N/2NE/4, SW/4NE/4, N/2SE/4, SE/4SE/4

EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT OIL AND GAS LEASE DATED MAY 2, 1997 BETWEEN KARMEN MARINCIC, A WIDOW, LESSOR, AND HIGH PLAINS ASSOCIATES, INC., LESSEE.

ADDITIONAL OR AMENDING LEASE PROVISIONS:

1. In WITNESSETH paragraph the words "with rights of way, and easements for laying pipelines, and erection of structures thereon" shall be struck. This provision will be covered by Surface Damage and Right-of-Way Agreement between Pape Ranches, Inc. and High Plains Associates, Inc. dated May 2, 1997.

2. To paragraph 4 after the words producing gas shall be added "in commercial quantities sufficient for Lessor to participate in the royalty benefits."

3. Paragraph 6, notwithstanding the separate Surface Damage and Right-of-Way Agreement, shall be amended to include all water, not just water from wells.

4. Paragraph 12 shall be amended to add the following:

In the event gas from a well producing gas is not sold or used, which would otherwise result in continuing this lease in force after the expiration of the primary term, whether such well be on the leased premises or contained within a unit, and the Lessee has the option to pay a shut-in rental payment in lieu of royalty to keep the lease in force, such option shall be subject to the following conditions:

(a) If the shut-in occurs and continues from completion of the well, such that no royalty payment has ever been paid on such well's production, the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of the expiration of this lease and such shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre. Shut-in rental in lieu of royalty, if due, will be paid 30 days prior to the expiration of the primary term of this lease. Each annual shut-in rental in lieu of royalty will be paid prior to the anniversary date of the end of the primary term.

(b) If the shut-in occurs after royalty payments on production have been made (i.e., any interruption of production), the payment of such shut-in rental in lieu of royalty on such well may not maintain this lease in effect for a period of more than Three (3) years from the date of interruption of production of such well. Shut-in rentals in lieu of royalty shall be paid at the rate of Five ($5.00) dollars per net mineral acre before the end of one year from the date of interruption of production.

5. Notwithstanding the provisions of this lease to the contrary, this lease shall terminate at the end of the primary term as to the leased lands except the tracts within a production or spacing unit prescribed by law or administrative authority on which is located a well producing or capable of producing oil and/or gas or on which Lessee is engaged in drilling or reworking operations. This lease shall not terminate so long as drilling or reworking operations are being continuously prosecuted if not more that 180 days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of another.

Notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, only payment to Lessor of production royalty or of shut-in rentals in lieu of production royalty shall continue this lease beyond the primary term hereof. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, the only lands covered hereunder within such a unit to which an extension beyond the primary term hereof shall apply are those lands which are included within such a unit as participation lands, provided, however, that if at the end of the primary term hereof, lands covered hereunder are included within such a unit and a portion of such unitized lands are participating lands and a portion of such unitized lands are not participating lands for a period of One (1) year and if at the end of such One (1) year period, such non-participating lands have not been designated participating lands, this lease shall terminate as to such non-participating lands. Further, notwithstanding the provisions of Paragraph 12 of the attached lease and notwithstanding the provisions of any unit or pooling agreement entered into pursuant to such paragraph, lands covered under this lease which are not included in any such unit shall be severed from any such lands which are unitized and this lease may be maintained as to such non-unitized lands only in accordance with the terms of this lease and as to any portion of such non-unitized lands, this lease shall terminate unless production royalty is being paid with respect to such lands.

Notwithstanding the provisions contained in Paragraph 12, no unit or pooling agreement, whether expressly approved by the Lessor or approved by inference, shall operate to amend the provisions herein contained relative to the termination of the lease.

6. Paragraph 14 shall be modified to strike the words "warrants and agrees to defend the title to the lands herein described".

7. Notwithstanding anything to the contrary in the printed form of the lease, all stipulations in this exhibit or amendments to the lease shall take precedence over any conflict or ambiguities.

SIGNED FOR IDENTIFICATION:

Karmen Maricic

Scatter Block

515

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned Fossil Associates hereinafter called ASSIGNOR, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto:

SEE THE ATTACHED EXHIBIT "A"

hereinafter called ASSIGNEE, his heirs and assigns, an overriding royalty of an undivided 7.5% of 100% of all oil, gas and other minerals produced, saved and sold under the terms of the oil and gas leases more particularly set forth and described on Exhibit "B" attached hereto and made a part hereof.

A. 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 above described oil and gas lease.

B. 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 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 benefitting said lands.

C. This assignment of overriding royalty is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 17th day of September, 19 97.

Fossil Associates

Elliott A. Riggs, Member of the Joint Venture

STATE OF COLORADO)
COUNTY OF Denver) ss:

The foregoing instrument was acknowleged before me this 17th day of September, 19 97, by Elliott A. Riggs, Member of the Joint Venture.

Witness my hand and notarial seal.

Jaxcene L. Heinze
Notary Public

My Commission Expires: Jan. 4th, 2000

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

263799

RECORDED Oct. 2, 1997 8:10 A.M.
REC. 105 016 515
FEE 10.00
SAN MIGUEL COUNTY, PINEDALE
By Cathy Loeton

EXHIBIT "A"

Attached to and made a part of that certain Assignment of ORR dated September 17th, 1997, by and between H. P. McLish and McLish Resources L.P., et al.

1.	McLish Resources L. P. McLish Petroleum Company, General Partner 633 17th St. #1910 Denver, CO 80202	23.0% of 7.5% of 100%
2.	Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	23.0% of 7.5% of 100%
3.	Riggs Oil & Gas Corporation P.O. Box 711 Farmington, NM 87499	23.0% of 7.5% of 100%
4.	W. Clifton Arbuckle Trust W. Clifton Arbuckle, Trustee 633 17th St. #1910 Denver, CO 80202	8.0% of 7.5% of 100%
5.	Dan Rodger Dubitzky 8350 Pleasant Beach Rd. Bainbridge Island, WA 98110	1/3 of 23.0% of 7.5% of 100%
6.	Mary Gail Dubitzky 3028 Shetland Dr. Pleasant Hill, CA 94523	1/3 of 23.0% of 7.5% of 100%
7.	Jane Ann Dubitzky 520 5th St. Bozeman, MT 59771	1/3 of 23.0% of 7.5% of 100%

EXHIBIT "B"

Attached to and made a part of that certain Assignment of ORR dated September 17th, 1997, by and between H. P. McLish and McLish Resources L.P., et al.

Lessor:	USA, W-124074
Lessee:	Fossil Associates
Dated:	05-01-91
Term:	10 years
Legal:	T30N-R109W, 6th PM Sec. 11: NE, N/2NW, SENW Sec. 12: N/2 Sublette County, WY

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned H. P. McLish, hereinafter called ASSIGNOR, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, assign and convey unto:

SEE THE ATTACHED EXHIBIT "A"

hereinafter called ASSIGNEE, his heirs and assigns, an overriding royalty of an undivided 7.5% of 100% of all oil, gas and other minerals produced, saved and sold under the terms of the oil and gas leases more particularly set forth and described on Exhibit "B" attached hereto and made a part hereof.

A. 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 above described oil and gas lease.

B. 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 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 benefitting said lands.

C. This assignment of overriding royalty is made without warranty of title, either express or implied.

IN WITNESS WHEREOF, Assignor has executed and delivered this assignment of overriding royalty interest as of this 17th day of September, 1997.

H. P. McLish

STATE OF COLORADO)
COUNTY OF Denver) ss:

The foregoing instrument was acknowleged before me this 17th day of September, 1997, by H. P. McLish

Witness my hand and notarial seal.

Jaxcene L. Heinze
Notary Public

My Commission Expires: Jan. 4th, 2000

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

263800

RECORDED Oct. 2 1997 8:10 M
BOOK 105 Oil & Gas PAGE 518
10.00 M L L COUNTY CLERK
SWEETWATER COUNTY, PINEDALE WYOMING
By Cathy Boxton

EXHIBIT "A"

Attached to and made a part of that certain Assignment of ORR dated September 17th, 1997, by and between H. P. McLish and McLish Resources L.P., et al.

1.	McLish Resources L. P. McLish Petroleum Company, General Partner 633 17th St. #1910 Denver, CO 80202	30.0% of 7.5% of 100%
2.	Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	30.0% of 7.5% of 100%
3.	Riggs Oil & Gas Corporation P.O. Box 711 Farmington, NM 87499	30.0% of 7.5% of 100%
4.	W. Clifton Arbuckle Trust W. Clifton Arbuckle, Trustee 633 17th St. #1910 Denver, CO 80202	10.0% of 7.5% of 100%

EXHIBIT "B"

Attached to and made a part of that certain Assignment of ORR dated September 17th, 1997, by and between H. P. McLish and McLish Resources L.P., et al.

Lessor:	USA, W-130224
Lessee:	H. P. McLish
Dated:	09-01-93
Term:	10 years
Legal:	T30N-R108W, 6th PM
	Sec. 19: Lots 1-4, SENW, E/2SW, W/2SE, SESE
	Sec. 29: SW, W/2SE
	Sec. 33: SENW, N/2SE, SESE
	Sec. 34: NWSW, S/2S/2
	Sec. 35: S/2SW
	Sublette County, WY

521

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
WYW143045

Lease Effective Date
(Anniversary Date)
October 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Yates Drilling Company 12.5%
   Street 105 South Fourth Street
   City, State, ZIP Code Artesia, New Mexico 88210

*If more than one assignee, check here ☒ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 28 North, Range 109 West, 6th P.M. Section 15: All Sublette County, Wyoming	100.0%	87.5%	12.5%	-0-	-0-

263802

RECORDED Oct. 2 19 97 9:15 AM
105 Oct 6 PAGE 521
8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cat Boston

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

[redacted] [redacted] [redacted]

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

Myco Industries, Inc. 12.5%
Abo Petroleum Corporation 12.5%
105 South Fourth Street
Artesia, NM 88210

Andover Partners 50%
1001 Fannin, Suite 2000
Houston, Texas 77002-0907

State of New Mexico)
:ss
County of Eddy)

The foregoing instrument was acknowledged before me this 18th day of September, 1997, by Randy G. Patterson, as Attorney-in-Fact of Yates Petroleum Corporation, a New Mexico corporation on behalf of said corporation.

My commission expires:

Notary Public

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, national, or resident alien of the United States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 18th day of September, 1997

Name of Assignor as shown on current lease Yates Petroleum Corporation
Please type or print

Assignor _____ (Signature)
or
Attorney-in-fact Randy G. Patterson (Signature)

105 South Fourth Street
(Assignor's Address)

Artesia, New Mexico 88210
(City) (State) (Zip Code)

Executed this ___ day of _____, 19

Assignee _____ (Signature)
or
Attorney-in-fact _____ (Signature)

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

Producers 88 -Revised
Wyoming (LJ)
(12 56)

OIL AND GAS LEASE

523

THIS AGREEMENT, made and entered into this 6th day of September, 19 97, by and between Shad Z. Roberts and Patricia M. Roberts, husband and wife

of P.O. Box 11, Daniel, Wyoming 83115, hereinafter called lessor (whether one or more), and Starwood, Inc., a Texas Corporation P.O. Box 200, Basalt, CO 81621, hereinafter called lessee;

WITNESSETH: that lessor, for and in consideration of ten and more DOLLARS ($10.00+) in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

263803

RECORDED Oct. 2, 1997 9:20 A.M.
BOOK 105 OFG PAGE 323
FEE 14.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING By Cathy Section

of Section ....., Township ....., Range ....., if being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 8,717.23 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten~~ three (3) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after each such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth (1/8) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth (1/8) of the prevailing market price at the well for the gas so used.

If no well be commenced on said land on or before one year from the date hereof, this lease shall (except as otherwise provided in this paragraph) terminate, unless lessee (or someone in his behalf), on or before such date, shall pay or tender to lessor, or to lessor's credit in the ~~XXXX

[redacted] [redacted] [redacted]

Lessee shall have [illegible] to use, free of cost, oil, gas and water produced on said land for its operations thereon except water from wells of lessor. 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. No part of the surface of the leased premises shall, without the written consent of lessee, be let, granted or licensed by lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoirs, equipment, or machinery to be used for the purpose of exploring, developing or operating adjacent lands for oil, gas or other minerals.

Lessee shall bury below plow depth its pipe lines on the leased premises when requested by a lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on said premises without the written consent of the owner of the surface on which such house or barn is located. Lessee shall pay for damages to growing crops caused by its operations on said lands.

Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any of the express or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, lack of market, act of God, strike, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

[redacted]

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

X Shad Z. Roberts
Shad Z. Roberts
SSN: 520-68-4417

X Patricia M Roberts
Patricia M. Roberts
SSN: 520-70-5624

STATE OF Wyoming
COUNTY OF Sublette } SS.

(Individual—Wyo.)

On this 11th day of September, 19 97, before me personally appeared Shad Z Roberts & Patricia M Roberts, 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.

My commission expires:

8/4/98

JULIE L. BARNES - NOTARY PUBLIC
COUNTY OF SUBLETTE — STATE OF WYOMING
MY COMMISSION EXPIRES 8/4/98

Julie L. Barnes
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Individual—Wyo.)

On this ..... day of ....., 19....., before me personally appeared .....
....., 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.

My commission expires:

.....
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Corporation—Wyo.)

On this ..... day of ....., 19....., before me appeared .....
....., to me personally known, who, being by me duly sworn, did say that he is the ..... President of .....
....., a corporation, and that the seal affixed to the foregoing 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.

My commission expires:

.....
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Certificate of Recording)

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

.....
Register of Deeds

By .....
Deputy

AFTER RECORDING, RETURN TO: .....

524

EXHIBIT "A"

Attached to and made a part of that certain Oil & Gas Lease dated September 6, 1997, by and between Shad Z. Roberts and Patricia M. Roberts, husband and wife, as Lessor and Starwood, Inc., a Texas Corporation, as Lessee, to wit:

Description of Lands

Township 31 North, Range 110 West of the 6th P.M.
Section 7: Lots 3, 4, SE/4SW/4
Section 17: NW/4NE/4, S/2NE/4, NE/4SW/4, SW/4SW/4, SW/4SE/4
Section 18: Lot 1, NE/4NW/4, NW/4NE/4, S/2NE/4, NE/4SE/4
Section 20: NW/4NE/4, NE/4NW/4

Township 31 North, Range 111 West of the 6th P.M.
Section 11: S/2NE/4, SE/4
Section 12: S/2N/2, S/2
Section 13: N/2N/2

Township 33 North, Range 111 West of the 6th P.M.
Section 4: Lots 3, 4, S/2NW/4, SW/4

Township 34 North, Range 111 West of the 6th P.M.
Section 28: S/2NW/4, SW/4
Section 29: NW/4NE/4, S/2NE/4, SE/4, W/2
Section 30: SE/4SE/4
Section 31: NE/4NE/4
Section 32 N/2, N/2SE/4
Section 33: W/2

Township 34 North, Range 112 West of the 6th P.M.
Section 1: Lot 1, SE/4NE/4, E/2SE/4

Township 35 North, Range 111 West of the 6th P.M.
Section 30: Lots 3,4, E/2SW/4, SW/4SE/4
Section 31: Lots 1, 2, 3, 4, E/2W/2, W/2E/2, SE/4NE/4, E/2SE/4
Section 32: NE/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4

Township 35 North, Range 112 West of the 6th P.M.
Section 3: Lots 1, 2, 3, 4, S/2N/2, S/2
Section 7: NE/4NE/4
Section 8: N/2NW/4, SW/4NW/4
Section 9: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 10: N/2NE/4, SE/4NE/4, NE/4NW/4
Section 11: S/2N/2, N/2SE/4, NE/4SW/4
Section 13: SW/4SW/4
Section 14: SW/4NE/4, NE/4NW/4, S/2NW/4, S/2
Section 15: S/2N/2, S/2
Section 22: N/2N/2
Section 23: NW/4NE/4, N/2NW/4
Section 25: E/2SE/4

Township 36 North, Range 112 West of the 6th P.M.
Section 11: E/2E/2
Section 12: SW/4NW/4, W/2SW/4, and all portions of the NW/4NW/4, E/2E/2 lying and being West of the centerline of State Highway 187
Section 13: W/2NW/4, SW/4, and all portions of the E/2NW/4 lying and being West of the centerline of State Highway 187
Section 14: E/2NE/4
Section 24: N/2NW/4, SE/4NW/4, NE/4SW/4, S/2SW/4
Section 25: NW/4, N/2SW/4

All above lands containing 8,717.23 acres, more or less

NOTWITHSTANDING anything to the contrary contained in the printed portion of the lease to which this EXHIBIT "A" is attached, Lessor and Lessee also agree as follows:

1) The royalty is one-eighth (1/8) before payout and shall increase to 15% after payout. Payout shall be defined as after recovery of all costs of drilling, completing, reworking and equipping any well or wells of all lands herein described or pooled herewith, less operating costs.

[redacted] [redacted] [redacted]

2) Once initial production from this lease begins, if the sum of the royalty paid Lessors from the date of first production to the one year (1) anniversary date or any subsequent one (1) year period is less than the annual rental payment provided in this lease, then Lessee agrees to pay Lessor the difference between the royalty paid to Lessor for the previous one (1) year period and the annual rental amount provided by this lease. If payment is not tendered by Lessee to Lessor(s) within ninety (90) days from the anniversary date and within ninety (90) days notification to the Lessee that such a payment is due, then this lease shall terminate as to all parties.

3) Lessee is hereby granted the right and power at any time and from time to time to pool only parts of said lease with land or leases adjacent and only the prescribed or required acreage necessary to abide by the State law, order, rule or regulation set aside in the Spacing Order.

4) If a producing well on an adjacent lease is pooled with only parts of said lease as required by the State law, order, rule or regulation set aside in the Spacing Order, that pooled portion of said lease shall not be construed as valid lease production and the portion of the lease not pooled will terminate at the end of the primary term, subject to part 5 herein. Lessee will be allowed to segregate that portion of pooled acreage (not to exceed 640 acres for a gas well and 320 acres for an oil well) from the lease.

5) Any well drilled hereunder shall extend the lease term hereof for a period of five (5) years from the spud date of such well drilled. Lessee may maintain this lease in full force and effect as to all formations beyond the primary term as to all lands covered hereby so long as Lessee engages in a test well prior to the end of said five (5) year period subsequent to the spud date of such well drilled and Lessee likewise engages in or commences actual drilling operations on at least one well during each succeeding five (5) year period. Following the termination of this lease as to the undeveloped acreage pursuant to the terms hereof, it is understood and agreed that production from any well drilled hereunder shall serve to maintain this lease as to all of the acreage which continues to be covered by this lease after such termination.

6) Lessor shall have the right, at his sole risk and expense, to make a connection downstream from the wellhead, and use, free of cost gas from any producing well located on lands covered by this lease for electricity and heat for any principal dwelling or building on leased premises, provided, however, that Lessor shall use said gas for his personal use and not for any commercial purpose. Lessor further agrees to release and hold Lessee, or his assignees, harmless from any action, legal or otherwise, as a result of any losses or damages incurred by Lessor's actions regarding the connections, and the taking and/or using of said gas. A written agreement between Lessor and Lessee shall govern the specific terms of gas availability and delivery.

7) Lessee shall notify Lessor in advance of staking and building a location.

8) The location site for any well or wells on leased premises shall not exceed two acres unless agreed upon before the construction of a location.

9) At the time of staking the location, Lessee shall pay to Lessor appraisal land value price for roadway right-of-way and location site. If production is encountered, annual payment, to be determined, shall be paid to Lessor for that portion of land taken out of production. If a dry hole, payment shall be for no less than five (5) years and for any more than ten (10) years. This payment is solely for land restoration.

10) If the drilling of a well is on irrigated meadowland, drilling will be permitted from October 15 to March 1.

11) If any irrigation ditches or canals are disturbed during construction, drilling or completion, all ditches and canals will be reconstructed immediately so as not to impede the carrying capacity of the irrigation water as to the original contour of the land.

12) Upon the completion of drilling any and all wells, all drilling mud shall be removed, and the location site and access road shall be restored and re-seeded to as near as possible their original state.

13) Drilling sites will be fenced to prevent livestock from impeding operations.

14) If, or when, any portion of the land included in this lease expires, Lessee shall have the first right of refusal to lease any of the portions of the land included in this lease, which have expired. Lessor shall provide Lessee with a copy of the lease submitted to Lessor that Lessor is willing to agree to the terms thereof and sign. Lessee shall have twenty-four (24) hours after the receipt of such a lease to agree to lease under the same terms with Lessor. If Lessee agrees to lease under the same terms of the submitted lease then Lessee will mail such a lease to Lessor within five (5) working days of Lessee's agreement to lease.

SIGNED FOR IDENTIFICATION

x Shad Z Roberts
Shad Z. Roberts

x Patricia M Roberts
Patricia M. Roberts

Producers 88 - Rev. [redacted]
Wyoming (C)
(12-96)

OIL AND [redacted]S LEASE [redacted]

THIS AGREEMENT, made and entered into this 6th day of September, 19 97, by and between Matthew D. Miller & Lisa R. Miller, husband & wife

of 170 N. 8th, Larimie, Wyoming 82070

Starwood, Inc., a Texas Corporation of P.O. Box 200, Basalt, CO 81621, hereinafter called lessor (whether one or more), and hereinafter called lessee;

WITNESSETH: that lessor, for and in consideration of ten and more in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

263804

RECORDED Oct. 2, 1997 9:20 A.M.
105 O+G FEE 5.00
14.00
SUBLETTE COUNTY, PINEDALE WYOMING
COUNTY CLERK
By Cathy Boxton

of Section ..., Township ..., Range ..., It being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 8,717.23 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ three (3) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after each such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth (1/8) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth (1/8) of the prevailing market price at the well for the gas so used.

If no well be commenced on said land on or before one year from the date hereof, this lease shall (except as otherwise provided in this paragraph) terminate, unless lessee (or someone in his behalf), on or before such date, shall pay or tender to lessor, or to lessor's credit in the at address shown above Bank of ..., the sum of $1.00 per net acre which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 months from said date. In like manner and upon like payments or tenders, the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof. All payments or tenders may be made by cash, check or draft, mailed or delivered on or before the rental date, and the depositing of such cash, check or draft in any post office, addressed to the depository bank or lessor (at his last known address as shown by lessee's records) on or before the rental date shall be deemed payment or tender as herein provided. Notwithstanding the death of lessor, payment or tender of rentals to such deceased or to his credit in the manner provided herein shall be binding on the heirs, devisees, executors, administrators and personal representatives of lessor and his successors in interest. If lessee shall, on or before any rental date, make a bona fide attempt to pay or deposit rental to a lessor entitled thereto under this lease according to lessee's records or to a lessor who, prior to such attempted payment or deposit, has given lessee notice, in accordance with the terms of this lease hereinafter set forth, of his right to receive rental, and if such payment or deposit shall be erroneous in any regard (whether deposited in the wrong depository, paid to persons other than the parties entitled thereto as shown by lessee's records, in an incorrect amount, or otherwise), lessee shall be unconditionally obligated to pay to such lessor the rental properly payable for the rental period involved, but this lease shall be maintained in the same manner as if such erroneous rental payment or deposit had been properly made, provided that the erroneous rental payment or deposit be corrected within 30 days after receipt by lessee of written notice from such lessor of such error accompanied by any documents and other evidence necessary to enable lessee to make proper payment. The consideration first recited herein, the down payment, covers not only the privilege granted to the date when said first rental is payable as aforesaid, but also lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be completed as a dry hole, then, and in that event, if a second well is not commenced on said land within 12 months from the expiration of the last rental period for which rental has been paid (it being understood that for the purpose of this paragraph the period of time extending from the date of this lease to the first rental date shall be considered as a rental period for which rental has been paid), this lease shall terminate as to both parties, unless lessee on or before the expiration of said 12 months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. Upon resumption of the payment of rentals, as above provided, the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in rental payments.

If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated 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 therefrom is sold or used off the premises or 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 will 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 and gas-condensate 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 the 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, or, if this lease does not provide for any delay rental, then the sum of $50.00; provided that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any 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 depository bank above designated. 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.

If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is referred to or described herein, all rentals and royalties herein provided shall be paid lessor only in the proportion which his interest bears to the whole and undivided mineral fee.

If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied covenants hereof shall extend to the sublessees, successors and assigns of the parties; and in the event of an assignment or subletting by lessee, lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or implied. No change in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of the right to receive rentals or royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessee (except at lessee's option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party. If this lease is assigned or sublet insofar as it covers only a part of the acreage embraced in the leased premises, the delay rentals hereinabove provided for shall be apportioned to the separate parts, ratably according to the surface acreage of each, and failure of the leasehold owner or sublessee of any separate part of the above described lands to make a rental payment with respect to such part shall in no event operate to terminate or affect this lease insofar as it covers any other part thereof.

Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in the leased premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release. In event of a release of this lease as to all rights in only a part of the acreage embraced in the leased premises, thereafter the delay rentals hereinabove provided for shall be reduced proportionately on an acreage basis.

[redacted]

528

Lessee shall have the right to use, free of cost, oil, gas and water produced on said land for its operations thereon except water from wells of lessor. 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. No part of the surface of the leased premises shall, without the written consent of lessee, be let, granted or licensed by lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoirs, equipment, or machinery to be used for the purpose of exploring, developing or operating adjacent lands for oil, gas or other minerals.

Lessee shall bury below plow depth its pipe lines on the leased premises when requested by a lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on said premises without the written consent of the owner of the surface on which such house or barn is located. Lessee shall pay for damages to growing crops caused by its operations on said lands.

Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any of the express or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, lack of market, act of God, strike, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

Lessor hereby releases and waives all rights in the leased premises under and by virtue of the homestead exemption laws of the State of Wyoming insofar as the same may in any way affect the purposes for which this lease is made.

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

X Matthew D. Miller
SSN: 520-70-5640

X Lisa R. Miller
SSN: 520-90-4971

STATE OF Wyoming
COUNTY OF Albany } SS.

(Individual—Wyo.)

On this 23 day of Sept, 1997, before me personally appeared Matthew and Lisa Miller, 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.

My commission expires:

Aug 30, 99

LYNNE KNOLL-NOTARY PUBLIC
County of Albany — State of Wyoming
My Commission Expires Aug. 30, 1999

Lynne Knoll
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Individual—Wyo.)

On this ..... day of ....., 19....., before me personally appeared .....
....., 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.

My commission expires:

.....

.....
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Corporation—Wyo.)

On this ..... day of ...., 19....., before me appeared .....
....., to me personally known, who, being by me duly sworn, did say that he is the ..... President of ....., a corporation, and that the seal affixed to the foregoing 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.

My commission expires:

.....

.....
Notary Public

STATE OF .....
COUNTY OF ..... } SS.

(Certificate of Recording)

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

.....
Register of Deeds

By .....
Deputy

AFTER RECORDING, RETURN TO: .....

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Oil & Gas Lease dated September 6, 1997, by and between Matthew D. Miller and Lisa R. Miller, husband and wife, as Lessor and Starwood, Inc., a Texas Corporation, as Lessee, to wit:

Description of Lands

Township 31 North, Range 110 West of the 6th P.M.
Section 7: Lots 3, 4, SE/4SW/4
Section 17: NW/4NE/4, S/2NE/4, NE/4SW/4, SW/4SW/4, SW/4SE/4
Section 18: Lot 1, NE/4NW/4, NW/4NE/4, S/2NE/4, NE/4SE/4
Section 20: NW/4NE/4, NE/4NW/4

Township 31 North, Range 111 West of the 6th P.M.
Section 11: S/2NE/4, SE/4
Section 12: S/2N/2, S/2
Section 13: N/2N/2

Township 33 North, Range 111 West of the 6th P.M.
Section 4: Lots 3, 4, S/2NW/4, SW/4

Township 34 North, Range 111 West of the 6th P.M.
Section 28: S/2NW/4, SW/4
Section 29: NW/4NE/4, S/2NE/4, SE/4, W/2
Section 30: SE/4SE/4
Section 31: NE/4NE/4
Section 32 N/2, N/2SE/4
Section 33: W/2

Township 34 North, Range 112 West of the 6th P.M.
Section 1: Lot 1, SE/4NE/4, E/2SE/4

Township 35 North, Range 111 West of the 6th P.M.
Section 30: Lots 3,4, E/2SW/4, SW/4SE/4
Section 31: Lots 1, 2, 3, 4, E/2W/2, W/2E/2, SE/4NE/4, E/2SE/4
Section 32: NE/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4

Township 35 North, Range 112 West of the 6th P.M.
Section 3: Lots 1, 2, 3, 4, S/2N/2, S/2
Section 7: NE/4NE/4
Section 8: N/2NW/4, SW/4NW/4
Section 9: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 10: N/2NE/4, SE/4NE/4, NE/4NW/4
Section 11: S/2N/2, N/2SE/4, NE/4SW/4
Section 13: SW/4SW/4
Section 14: SW/4NE/4, NE/4NW/4, S/2NW/4, S/2
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Section 22: N/2N/2
Section 23: NW/4NE/4, N/2NW/4
Section 25: E/2SE/4

Township 36 North, Range 112 West of the 6th P.M.
Section 11: E/2E/2
Section 12: SW/4NW/4, W/2SW/4, and all portions of the NW/4NW/4, E/2E/2 lying and being West of the centerline of State Highway 187
Section 13: W/2NW/4, SW/4, and all portions of the E/2NW/4 lying and being West of the centerline of State Highway 187
Section 14: E/2NE/4
Section 24: N/2NW/4, SE/4NW/4, NE/4SW/4, S/2SW/4
Section 25: NW/4, N/2SW/4

All above lands containing 8,717.23 acres, more or less

NOTWITHSTANDING anything to the contrary contained in the printed portion of the lease to which this EXHIBIT "A" is attached, Lessor and Lessee also agree as follows:

1) The royalty is one-eighth (1/8) before payout and shall increase to 15% after payout. Payout shall be defined as after recovery of all costs of drilling, completing, reworking and equipping any well or wells of all lands herein described or pooled herewith, less operating costs.

2) Once initial production from this lease begins, if the sum of the royalty paid Lessors from the date of first production to the one year (1) anniversary date or any subsequent one (1) year period is less than the annual rental payment provided in this lease, then Lessee agrees to pay Lessor the difference between the royalty paid to Lessor for the previous one (1) year period and the annual rental amount provided by this lease. If payment is not tendered by Lessee to Lessor(s) within ninety (90) days from the anniversary date and within ninety (90) days notification to the Lessee that such a payment is due, then this lease shall terminate as to all parties.

3) Lessee is hereby granted the right and power at any time and from time to time to pool only parts of said lease with land or leases adjacent and only the prescribed or required acreage necessary to abide by the State law, order, rule or regulation set aside in the Spacing Order.

4) If a producing well on an adjacent lease is pooled with only parts of said lease as required by the State law, order, rule or regulation set aside in the Spacing Order, that pooled portion of said lease shall not be construed as valid lease production and the portion of the lease not pooled will terminate at the end of the primary term, subject to part 5 herein. Lessee will be allowed to segregate that portion of pooled acreage (not to exceed 640 acres for a gas well and 320 acres for an oil well) from the lease.

5) Any well drilled hereunder shall extend the lease term hereof for a period of five (5) years from the spud date of such well drilled. Lessee may maintain this lease in full force and effect as to all formations beyond the primary term as to all lands covered hereby so long as Lessee engages in a test well prior to the end of said five (5) year period subsequent to the spud date of such well drilled and Lessee likewise engages in or commences actual drilling operations on at least one well during each succeeding five (5) year period. Following the termination of this lease as to the undeveloped acreage pursuant to the terms hereof, it is understood and agreed that production from any well drilled hereunder shall serve to maintain this lease as to all of the acreage which continues to be covered by this lease after such termination.

6) Lessor shall have the right, at his sole risk and expense, to make a connection downstream from the wellhead, and use, free of cost gas from any producing well located on lands covered by this lease for electricity and heat for any principal dwelling or building on leased premises, provided, however, that Lessor shall use said gas for his personal use and not for any commercial purpose. Lessor further agrees to release and hold Lessee, or his assignees, harmless from any action, legal or otherwise, as a result of any losses or damages incurred by Lessor's actions regarding the connections, and the taking and/or using of said gas. A written agreement between Lessor and Lessee shall govern the specific terms of gas availability and delivery.

7) Lessee shall notify Lessor in advance of staking and building a location.

8) The location site for any well or wells on leased premises shall not exceed two acres unless agreed upon before the construction of a location.

9) At the time of staking the location, Lessee shall pay to Lessor appraisal land value price for roadway right-of-way and location site. If production is encountered, annual payment, to be determined, shall be paid to Lessor for that portion of land taken out of production. If a dry hole, payment shall be for no less than five (5) years and for any more than ten (10) years. This payment is solely for land restoration.

10) If the drilling of a well is on irrigated meadowland, drilling will be permitted from October 15 to March 1.

11) If any irrigation ditches or canals are disturbed during construction, drilling or completion, all ditches and canals will be reconstructed immediately so as not to impede the carrying capacity of the irrigation water as to the original contour of the land.

12) Upon the completion of drilling any and all wells, all drilling mud shall be removed, and the location site and access road shall be restored and re-seeded to as near as possible their original state.

13) Drilling sites will be fenced to prevent livestock from impeding operations.

[redacted] [redacted] [redacted]

14) If, or when, any portion of the land included in this lease expires, Lessee shall have the first right of refusal to lease any of the portions of the land included in this lease, which have expired. Lessor shall provide Lessee with a copy of the lease submitted to Lessor that Lessor is willing to agree to the terms thereof and sign. Lessee shall have twenty-four (24) hours after the receipt of such a lease to agree to lease under the same terms with Lessor. If Lessee agrees to lease under the same terms of the submitted lease then Lessee will mail such a lease to Lessor within five (5) working days of Lessee's agreement to lease.

SIGNED FOR IDENTIFICATION

X _____
Matthew D. Miller

X _____
Lisa R. Miller

533

Producers 88—Revised
Wyoming (U)
(12-86)

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of September, 19 97, by and between Robert M. Miller, as Personal Representative of the Estate of Mildred M. Miller, deceased of P.O. Box 67, Big Piney, Wyoming 83113, hereinafter called lessor (whether one or more), and Starwood, Inc., a Texas Corporation of P.O. Box 200, Basalt, CO 81621, hereinafter called lessee;

WITNESSETH: that lessor, for and in consideration of ten and more DOLLARS ($ 10.00+) in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

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IN BOOK 105 OF 6 PAGE 533
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SUBLETTE COUNTY, PINEDALE WYOMING

of Section ..., Township ..., Range ..., it being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 5,508.79 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after each such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth (1/8) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth (1/8) of the prevailing market price at the well for the gas so used.

If no well be commenced on said land on or before one year from the date hereof, this lease shall (except as otherwise provided in this paragraph) terminate, unless lessee (or someone in his behalf), on or before such date, shall pay or tender to lessor, or to lessor's credit in the At address shown above, sum of $1.00 per net acre, which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 months from said date. In like manner and upon like payments or tenders, the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof. All payments or tenders may be made by cash, check or draft, mailed or delivered on or before the rental date, and the depositing of such cash, check or draft in any post office, addressed to the depository bank or lessor (at his last known address as shown by lessee's records) on or before the rental date, shall be deemed payment or tender as herein provided. Notwithstanding the death of lessor, payment or tender of rentals in the manner provided herein shall be binding on the heirs, devisees, executors, administrators and personal representatives of lessor and his successors in interest. If lessee shall, on or before any rental date, make a bona fide attempt to pay or deposit rental to a lessor entitled thereto under this lease according to lessee's records or to a lessor who, prior to such attempted payment or deposit, has given lessee notice, in accordance with the terms of this lease hereinafter set forth, of his right to receive rental, and if such payment or deposit shall be erroneous in any regard (whether deposited in the wrong depository, paid to persons other than the parties entitled thereto as shown by lessee's records, in an incorrect amount, or otherwise), lessee shall be unconditionally obligated to pay to such lessor the rental properly payable for the rental period involved, but this lease shall be maintained in the same manner as if such erroneous rental payment or deposit had been properly made, provided that the erroneous rental payment or deposit be corrected within 30 days after receipt by lessee of written notice from such lessor of such error accompanied by any documents and other evidence necessary to enable lessee to make proper payment. The consideration first recited herein, the down payment, covers not only the privilege granted to the date when said first rental is payable as aforesaid, but also lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be completed as a dry hole, then, and in that event, if a second well is not commenced on said land within 12 months from the expiration of the last rental period for which rental has been paid (it being understood that for the purpose of this paragraph the period of time extending from the date of this lease to the first rental date shall be considered as a rental period for which rental has been paid), this lease shall terminate as to both parties, unless lessee on or before the expiration of said 12 months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. Upon resumption of the payment of rentals, as above provided, the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in rental payments.

If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or an acreage pooled or consolidated 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 therefrom is sold or used off the premises or 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 will 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 and gas-condensate 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 the 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, or, if this lease does not provide for any delay rental, then the sum of $50.00; provided that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any 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 may be made or tendered to lessor or to lessor's credit in the depository bank above designated. Such payment shall be deemed a royalty under all provisions of this lease. 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.

If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is referred to or described herein, all rentals and royalties herein provided shall be paid lessor only in the proportion which his interest bears to the whole and undivided mineral fee.

If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied covenants hereof shall extend to the sublessees, successors and assigns of the parties; and in the event of an assignment or subletting by lessee, lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or implied. No change in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of the right to receive rentals or royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessee (except at lessee's option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party. If this lease is assigned or sublet insofar as it covers only a part of the acreage embraced in the leased premises, the delay rentals hereinabove provided for shall be apportioned to the separate parts, rateably according to the surface acreage of each, and failure of the leasehold owner or sublessee of any separate part of the above described lands to make a rental payment with respect to such part shall in no event operate to terminate or affect this lease insofar as it covers any other part thereof.

Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in the leased premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release. In event of a release of this lease as to all rights in only a part of the acreage embraced in the leased premises, thereafter the delay rentals hereinabove provided for shall be reduced proportionately on an acreage basis.

[redacted]

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted] [

EXHIBIT "A"

Attached to and made a part of that certain Oil & Gas Lease dated September 6, 1997, by and between Robert M. Miller, as Personal Representative of the Estate of Mildred M. Miller, deceased, as Lessor and Starwood, Inc., a Texas Corporation, as Lessee, to wit:

Description of Lands

Township 31 North, Range 110 West of the 6th P.M.
Section 7: Lots 3, 4, SE/4SW/4
Section 17: NW/4NE/4, S/2NE/4, NE/4SW/4, SW/4SW/4, SW/4SE/4
Section 18: Lot 1, NE/4NW/4, NW/4NE/4, S/2NE/4, NE/4SE/4
Section 20: NW/4NE/4, NE/4NW/4

Township 31 North, Range 111 West of the 6th P.M.
Section 11: S/2NE/4, SE/4
Section 12: S/2N/2, S/2
Section 13: N/2N/2

Township 34 North, Range 110 West of the 6th P.M.
Section 30: Lot 4, SE/4SW/4

Township 34 North, Range 111 West of the 6th P.M.
Section 25: S/2
Section 26: S/2
Section 27: W/2SE/4, SE/4SE/4
Section 28: S/2NW/4, SW/4
Section 34: N/2NE/4
Section 35: NE/4, E/2NW/4, NW/4NW/4, N/2SE/4
Section 36: N/2

Township 34 North, Range 112 West of the 6th P.M.
Section 1: Lot 1, SE/4NE/4, E/2SE/4

Township 35 North, Range 111 West of the 6th P.M.
Section 30: Lots 3,4, E/2SW/4, SW/4SE/4
Section 31: Lots 1, 2, 3, 4, E/2W/2, W/2E/2, SE/4NE/4, E/2SE/4
Section 32: NE/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4

Township 35 North, Range 112 West of the 6th P.M.
Section 9: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 25: E/2SE/4

Township 36 North, Range 112 West of the 6th P.M.
Section 13: W/2NW/4, SW/4
Section 24: N/2NW/4, SE/4NW/4, NE/4SW/4, S/2SW/4
Section 25: NW/4, N/2SW/4

All above lands containing 5,508.79 acres, more or less

NOTWITHSTANDING anything to the contrary contained in the printed portion of the lease to which this EXHIBIT "A" is attached, Lessor and Lessee also agree as follows:

1) The royalty is one-eighth (1/8) before payout and shall increase to 15% after payout. Payout shall be defined as after recovery of all costs of drilling, completing, reworking and equipping any well or wells of all lands herein described or pooled herewith, less operating costs.

2) Once initial production from this lease begins, if the sum of the royalty paid Lessors from the date of first production to the one year (1) anniversary date or any subsequent one (1) year period is less than the annual rental payment provided in this lease, then Lessee agrees to pay Lessor the difference between the royalty paid to Lessor for the previous one (1) year period and the annual rental amount provided by this lease. If payment is not tendered by Lessee to Lessor(s) within ninety (90) days from the anniversary date and within ninety (90) days notification to the Lessee that such a payment is due, then this lease shall terminate as to all parties.

3) Lessee is hereby granted the right and power at any time and from time to time to pool only parts of said lease with land or leases adjacent and only the prescribed or required acreage necessary to abide by the State law, order, rule or regulation set aside in the Spacing Order.

4) If a producing well on an adjacent lease is pooled with only parts of said lease as required by the State law, order, rule or regulation set aside in the Spacing Order, that pooled portion of said lease shall not be construed as valid lease production and the portion of the lease not pooled will terminate at the end of the primary term, subject to

part 5 herein. Lessee will be allowed to segregate that portion of pooled acreage (not to exceed 640 acres for a gas well and 320 acres for an oil well) from the lease.

5) Any well drilled hereunder shall extend the lease term hereof for a period of five (5) years from the spud date of such well drilled. Lessee may maintain this lease in full force and effect as to all formations beyond the primary term as to all lands covered hereby so long as Lessee engages in a test well prior to the end of said five (5) year period subsequent to the spud date of such well drilled and Lessee likewise engages in or commences actual drilling operations on at least one well during each succeeding five (5) year period. Following the termination of this lease as to the undeveloped acreage pursuant to the terms hereof, it is understood and agreed that production from any well drilled hereunder shall serve to maintain this lease as to all of the acreage which continues to be covered by this lease after such termination.

6) Lessor shall have the right, at his sole risk and expense, to make a connection downstream from the wellhead, and use, free of cost gas from any producing well located on lands covered by this lease for electricity and heat for any principal dwelling or building on leased premises, provided, however, that Lessor shall use said gas for his personal use and not for any commercial purpose. Lessor further agrees to release and hold Lessee, or his assignees, harmless from any action, legal or otherwise, as a result of any losses or damages incurred by Lessor's actions regarding the connections, and the taking and/or using of said gas. A written agreement between Lessor and Lessee shall govern the specific terms of gas availability and delivery.

7) Lessee shall notify Lessor in advance of staking and building a location.

8) The location site for any well or wells on leased premises shall not exceed two acres unless agreed upon before the construction of a location.

9) At the time of staking the location, Lessee shall pay to Lessor appraisal land value price for roadway right-of-way and location site. If production is encountered, annual payment, to be determined, shall be paid to Lessor for that portion of land taken out of production. If a dry hole, payment shall be for no less than five (5) years and for any more than ten (10) years. This payment is solely for land restoration.

10) If the drilling of a well is on irrigated meadowland, drilling will be permitted from October 15 to March 1.

11) If any irrigation ditches or canals are disturbed during construction, drilling or completion, all ditches and canals will be reconstructed immediately so as not to impede the carrying capacity of the irrigation water as to the original contour of the land.

12) Upon the completion of drilling any and all wells, all drilling mud shall be removed, and the location site and access road shall be restored and re-seeded to as near as possible their original state.

13) Drilling sites will be fenced to prevent livestock from impeding operations.

14) If, or when, any portion of the land included in this lease expires, Lessee shall have the first right of refusal to lease any of the portions of the land included in this lease, which have expired. Lessor shall provide Lessee with a copy of the lease submitted to Lessor that Lessor is willing to agree to the terms thereof and sign. Lessee shall have twenty-four (24) hours after the receipt of such a lease to agree to lease under the same terms with Lessor. If Lessee agrees to lease under the same terms of the submitted lease then Lessee will mail such a lease to Lessor within five (5) working days of Lessee's agreement to lease.

SIGNED FOR IDENTIFICATION

x Robert M Miller

Robert M. Miller, as Personal Representative of the Estate of Mildred M. Miller, deceased

537

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OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of September, 19 97, by and between Robert M. Miller and Tara L. Miller, husband and wife

of P.O. Box 67, Big Piney, Wyoming 83113, hereinafter called lessor (whether one or more), and Starwood, Inc., a Texas Corp. of P.O. Box 200 Basalt, CO 81621 hereinafter called lessee;

WITNESSETH: that lessor, for and in consideration of Ten and more DOLLARS ($ 10.00+) in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

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IN BOOK 105 O&G PAGE 537
FEES $ 14.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING By Cathy Booker

of Section ..., Township ..., Range ..., it being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified. For all purposes of this lease, said lands shall be deemed to contain 8,717.23 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ three (3) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from said leased premises or drilling operations are continuously prosecuted as hereinafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 60 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 60 days after such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

2nd. To pay lessor one-eighth (1/8) of the proceeds received by lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by lessee; if such gas is used by lessee off the leased premises or used by lessee for the manufacture of casinghead gasoline or other products, to pay to lessor one-eighth (1/8) of the prevailing market price at the well for the gas so used.

If no well be commenced on said land on or before one year from the date hereof, this lease shall (except as otherwise provided in this paragraph) terminate, unless lessee (or someone in his behalf), on or before such date, shall pay or tender to lessor, or to lessor's credit in the At the address above Bank at [illegible] sum of $1.00 per net acre DOLLARS (or [illegible]), which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 months from said date. In like manner and upon like payments or tenders, the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof. All payments or tenders may be made by cash, check or draft, mailed or delivered on or before the rental date, and the depositing of such cash, check or draft in any post office, addressed to the depository bank or lessor (at his last known address as shown by lessee's records) on or before the rental date, shall be deemed payment or tender as herein provided. Notwithstanding the death of lessor, payment or tender of rentals to such deceased or to his credit in the manner provided herein shall be binding on the heirs, devisees, executors, administrators and personal representatives of lessor and his successors in interest. If lessee shall, on or before any rental date, make a bona fide attempt to pay or deposit rental to a lessor entitled thereto under this lease according to lessee's records or to a lessor who, prior to such attempted payment or deposit, has given lessee notice, in accordance with the terms of this lease hereinafter set forth, of his right to receive rental, and if such payment or deposit shall be erroneous in any regard (whether deposited in the wrong depository, paid to persons other than the parties entitled thereto as shown by lessee's records, in an incorrect amount, or otherwise), lessee shall be unconditionally obligated to pay to such lessor the rental properly payable for the rental period involved, but this lease shall be maintained in the same manner as if such erroneous rental payment or deposit had been properly made, provided that the erroneous rental payment or deposit be corrected within 30 days after receipt by lessee of written notice from such lessor of such error accompanied by any documents and other evidence necessary to enable lessee to make proper payment. The consideration first recited herein, the down payment, covers not only the privilege granted to the date when said first rental is payable as aforesaid, but also lessee's option of extending that period as aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be completed as a dry hole, then, and in that event, if a second well is not commenced on said land within 12 months from the expiration of the last rental period for which rental has been paid (it being understood that for the purpose of this paragraph the period of time extending from the date of this lease to the first rental date shall be considered as a rental period for which rental has been paid), this lease shall terminate as to both parties, unless lessee on or before the expiration of said 12 months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. Upon resumption of the payment of rentals, as above provided, the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in rental payments.

If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated 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 therefrom is sold or used off the premises or 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 will 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 and gas-condensate 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 the 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, or, if this lease does not provide for any delay rental, then the sum of $50.00; provided that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any 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 depository bank above designated. 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.

If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is referred to or described herein, all rentals and royalties herein provided shall be paid lessor only in the proportion which his interest bears to the whole and undivided mineral fee.

If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied covenants hereof shall extend to the sublessees, successors and assigns of the parties; and in the event of an assignment or subletting by lessee, lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or implied. No change in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of the right to receive rentals or royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessee (except at lessee's option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party. If this lease is assigned or sublet insofar as it covers only a part of the acreage embraced in the leased premises, the delay rentals hereinabove provided for shall be apportioned to the separate parts, rateably according to the surface acreage of each, and failure of the leasehold owner or sublessee of any separate part of the above described lands to make a rental payment with respect to such part shall in no event operate to terminate or affect this lease insofar as it covers any other part thereof.

Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in the leased premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release. In event of a release of this lease as to all rights in only a part of the acreage embraced in the leased premises, thereafter the delay rentals hereinabove provided for shall be reduced proportionately on an acreage basis.

[illegible]

[redacted]

Lessee shall have the right to use, free of cost, oil, gas and water produced on said land for its operations thereon except water from wells of lessor. 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. No part of the surface of the leased premises shall, without the written consent of lessee, be let, granted or licensed by lessor to any other party for the location, construction or maintenance of structures, tanks, pits, reservoirs, equipment, or machinery to be used for the purpose of exploring, developing or operating adjacent lands for oil, gas or other minerals.

Lessee shall bury below plow depth its pipe lines on the leased premises when requested by a lessor owning an interest in the surface. No well shall be drilled nearer than 200 feet to any house or barn now on said premises without the written consent of the owner of the surface on which such house or barn is located. Lessee shall pay for damages to growing crops caused by its operations on said lands.

Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any of the express or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, lack of market, act of God, strike, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

[redacted]

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

x Robert M. Miller
Robert M. Miller
SSN: 520-54-9601

x Tara L. Miller
Tara L. Miller
SSN: 520-68-4671

STATE OF Wyoming
COUNTY OF Sublette } SS.

(Individual—Wyo.)

On this 22 day of September, 1997, before me personally appeared Robert M & Tara L. Miller to me known to be the person (or persons) described in and who executed the foregoing instrument, and acknowledged [illegible] executed the same as his (or her or their) free act and deed.

My commission expires:

2-2-2000

County of Sublette State of Wyoming
My Commission Expires February 2, 2000

Joyce J. Johnson
Notary Public

STATE OF
COUNTY OF } SS.

(Individual—Wyo.)

On this ..... day of ....., 19....., before me personally appeared .....
....., 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.

My commission expires:

.....
Notary Public

STATE OF
COUNTY OF } SS.

(Corporation—Wyo.)

On this ..... day of ....., 19....., before me appeared .....
....., to me personally known, who, being by me duly sworn, did say that he is the ..... President of ....., a corporation, and that the seal affixed to the foregoing 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.

My commission expires:

.....
Notary Public

STATE OF
COUNTY OF } SS.

(Certificate of Recording)

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

.....
Register of Deeds

By .....
Deputy

AFTER RECORDING, RETURN TO: .....

EXHIBIT "A"

Attached to and made a part of that certain Oil & Gas Lease dated September 6, 1997, by and between Robert M. Miller and Tara L. Miller, husband and wife, as Lessor and Starwood, Inc., a Texas Corporation, as Lessee, to wit:

Description of Lands

Township 31 North, Range 110 West of the 6th P.M.
Section 7: Lots 3, 4, SE/4SW/4
Section 17: NW/4NE/4, S/2NE/4, NE/4SW/4, SW/4SW/4, SW/4SE/4
Section 18: Lot 1, NE/4NW/4, NW/4NE/4, S/2NE/4, NE/4SE/4
Section 20: NW/4NE/4, NE/4NW/4

Township 31 North, Range 111 West of the 6th P.M.
Section 11: S/2NE/4, SE/4
Section 12: S/2N/2, S/2
Section 13: N/2N/2

Township 33 North, Range 111 West of the 6th P.M.
Section 4: Lots 3, 4, S/2NW/4, SW/4

Township 34 North, Range 111 West of the 6th P.M.
Section 28: S/2NW/4, SW/4
Section 29: NW/4NE/4, S/2NE/4, SE/4, W/2
Section 30: SE/4SE/4
Section 31: NE/4NE/4
Section 32 N/2, N/2SE/4
Section 33: W/2

Township 34 North, Range 112 West of the 6th P.M.
Section 1: Lot 1, SE/4NE/4, E/2SE/4

Township 35 North, Range 111 West of the 6th P.M.
Section 30: Lots 3,4, E/2SW/4, SW/4SE/4
Section 31: Lots 1, 2, 3, 4, E/2W/2, W/2E/2, SE/4NE/4, E/2SE/4
Section 32: NE/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4

Township 35 North, Range 112 West of the 6th P.M.
Section 3: Lots 1, 2, 3, 4, S/2N/2, S/2
Section 7: NE/4NE/4
Section 8: N/2NW/4, SW/4NW/4
Section 9: NE/4SW/4, W/2SE/4, SE/4SE/4
Section 10: N/2NE/4, SE/4NE/4, NE/4NW/4
Section 11: S/2N/2, N/2SE/4, NE/4SW/4
Section 13: SW/4SW/4
Section 14: SW/4NE/4, NE/4NW/4, S/2[illegible]4, S/2
Section 15: S/2N/2, S/2
Section 22: N/2N/2
Section 23: NW/4NE/4, N/2NW/4
Section 25: E/2SE/4

Township 36 North, Range 112 West of the 6th P.M.
Section 11: E/2E/2
Section 12: SW/4NW/4, W/2SW/4, and all portions of the NW/4NW/4, E/2E/2 lying and being West of the centerline of State Highway 187
Section 13: W/2NW/4, SW/4, and all portions of the E/2NW/4 lying and being West of the centerline of State Highway 187
Section 14: E/2NE/4
Section 24: N/2NW/4, SE/4NW/4, NE/4SW/4, S/2SW/4
Section 25: NW/4, N/2SW/4

All above lands containing 8,717.23 acres, more or less

NOTWITHSTANDING anything to the contrary contained in the printed portion of the lease to which this EXHIBIT "A" is attached, Lessor and Lessee also agree as follows:

1) The royalty is one-eighth (1/8) before payout and shall increase to 15% after payout. Payout shall be defined as after recovery of all costs of drilling, completing, reworking and equipping any well or wells of all lands herein described or pooled herewith, less operating costs.

[redacted] [redacted] [redacted]

2) Once initial production from this lease begins, if the sum of the royalty paid Lessors from the date of first production to the one year (1) anniversary date or any subsequent one (1) year period is less than the annual rental payment provided in this lease, then Lessee agrees to pay Lessor the difference between the royalty paid to Lessor for the previous one (1) year period and the annual rental amount provided by this lease. If payment is not tendered by Lessee to Lessor(s) within ninety (90) days from the anniversary date and within ninety (90) days notification to the Lessee that such a payment is due, then this lease shall terminate as to all parties.

3) Lessee is hereby granted the right and power at any time and from time to time to pool only parts of said lease with land or leases adjacent and only the prescribed or required acreage necessary to abide by the State law, order, rule or regulation set aside in the Spacing Order.

4) If a producing well on an adjacent lease is pooled with only parts of said lease as required by the State law, order, rule or regulation set aside in the Spacing Order, that pooled portion of said lease shall not be construed as valid lease production and the portion of the lease not pooled will terminate at the end of the primary term, subject to part 5 herein. Lessee will be allowed to segregate that portion of pooled acreage (not to exceed 640 acres for a gas well and 320 acres for an oil well) from the lease.

5) Any well drilled hereunder shall extend the lease term hereof for a period of five (5) years from the spud date of such well drilled. Lessee may maintain this lease in full force and effect as to all formations beyond the primary term as to all lands covered hereby so long as Lessee engages in a test well prior to the end of said five (5) year period subsequent to the spud date of such well drilled and Lessee likewise engages in or commences actual drilling operations on at least one well during each succeeding five (5) year period. Following the termination of this lease as to the undeveloped acreage pursuant to the terms hereof, it is understood and agreed that production from any well drilled hereunder shall serve to maintain this lease as to all of the acreage which continues to be covered by this lease after such termination.

6) Lessor shall have the right, at his sole risk and expense, to make a connection downstream from the wellhead, and use, free of cost gas from any producing well located on lands covered by this lease for electricity and heat for any principal dwelling or building on leased premises, provided, however, that Lessor shall use said gas for his personal use and not for any commercial purpose. Lessor further agrees to release and hold Lessee, or his assignees, harmless from any action, legal or otherwise, as a result of any losses or damages incurred by Lessor's actions regarding the connections, and the taking and/or using of said gas. A written agreement between Lessor and Lessee shall govern the specific terms of gas availability and delivery.

7) Lessee shall notify Lessor in advance of staking and building a location.

8) The location site for any well or wells on leased premises shall not exceed two acres unless agreed upon before the construction of a location.

9) At the time of staking the location, Lessee shall pay to Lessor appraisal land value price for roadway right-of-way and location site. If production is encountered, annual payment, to be determined, shall be paid to Lessor for that portion of land taken out of production. If a dry hole, payment shall be for no less than five (5) years and for any more than ten (10) years. This payment is solely for land restoration.

10) If the drilling of a well is on irrigated meadowland, drilling will be permitted from October 15 to March 1.

11) If any irrigation ditches or canals are disturbed during construction, drilling or completion, all ditches and canals will be reconstructed immediately so as not to impede the carrying capacity of the irrigation water as to the original contour of the land.

12) Upon the completion of drilling any and all wells, all drilling mud shall be removed, and the location site and access road shall be restored and re-seeded to as near as possible their original state.

13) Drilling sites will be fenced to prevent livestock from impeding operations.

14) If, or when, any portion of the land included in this lease expires, Lessee shall have the first right of refusal to lease any of the portions of the land included in this lease, which have expired. Lessor shall provide Lessee with a copy of the lease submitted to Lessor that Lessor is willing to agree to the terms thereof and sign. Lessee shall have twenty-four (24) hours after the receipt of such a lease to agree to lease under the same terms with Lessor. If Lessee agrees to lease under the same terms of the submitted lease then Lessee will mail such a lease to Lessor within five (5) working days of Lessee's agreement to lease.

SIGNED FOR IDENTIFICATION

x _____
Robert M. Miller

x _____
Tara L. Miller

TERM ASSIGNMENT OF OIL AND GAS LEASE

STATE OF WYOMING §263820
§
COUNTY OF SUBLETTE §

RECORDED Oct. 2, 1997 3:15 p
BOOK 105 Oct 6 PAGE 542.
FEES $ 10.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **Mary T. Ard, a/k/a Mary Hudson Ard, 4808 Westridge Ave., Fort Worth, TX 76116** (hereinafter referred to as "Assignor"), does hereby assign, transfer and convey, subject to the terms, conditions and provisions contained herein, unto **Stanley Energy W., Inc., a Nevada corporation, 1776 Lincoln Street, Suite 410, Denver, CO 80203-4316** (hereinafter referred to as "Assignee"), the undivided interest in and to the oil and gas lease described in Exhibit "A" attached hereto;

This assignment shall be for a period of one (1) year from September 1, 1997 and for so long thereafter as oil and/or gas is being produced in paying quantities from the assigned premises or lands pooled therewith. Notwithstanding anything contained herein to the contrary, at the end of the initial term hereof, all of the lands described herein that are not attributed to a spacing unit for a well which has been completed as a well capable of producing oil and/or gas in paying quantities (or included in a "Participating Area" in a governmentally approved Unit should such be the case) shall automatically revert to Assignor, together with all zones or horizons more than 100 feet below the deepest depth drilled in each unit for production surrounding a well completed as a well capable of producing oil and/or gas in paying quantities; provided however, in the event Assignee shall then be engaged in actual drilling operations for a well located on the assigned premises, this assignment shall not terminate as to any portion of the assigned premises so long as Assignee shall continue to drill on said premises with no cessation of more than 180 days between the completion of one well and the commencement of actual drilling operations for the next succeeeding well. Failure to commence actual drilling operations within 180 days of the completion date for any well shall cause this assignment to terminate as to all of that portion of the assigned premises which is not attributable to a spacing unit for production of a well capable of producing oil and/or gas in paying quantities and all formations or horizons more than 100 feet below the deepest depth drilled in any spacing unit for production. In the case of such termination, all such lands, horizons and formations shall revert to Assignor automatically. For the purposes of this paragraph, the completion date for any well shall be the earlier of 60 days following the attainment of the deepest depth drilled therein or the date the official completion report is filed with the appropriate state or federal ageny having jurisdiction. Notwithstanding the automatic character of this reversion, Assignee shall promptly prepare a recordable assignment both in a form suitable for recording in the county and a form designated by the Bureau of Land Management for presentation to the Bureau of Land Management covering such reversionary interests and provide it promptly to Assignor. Any such reassigned interests shall be free and clear of any agreements, easements, liens, mortgages, pledges, security interests or other burdens or encumbrances created by Assignee and claimed by any person or entity.

Assignor hereby excepts and reserves from the interest assigned herein an overriding royalty interest equal to the difference between existing lease burdens and twenty-five percent (25%) of all oil, gas, casinghead gas, distillate and/or condensate and other minerals produced and saved from the assigned premises, such overriding royalty interest to be computed and paid at the same time and in the same manner as royalties payable under the terms of the oil and gas lease described herein. In the event Assignor owns less than the entire working interest in the oil and gas lease described herein, the overriding royalty reserved herein shall be proportionately reduced.

This assignment is made subject to, and Assignee shall comply with, all applicable rules, regulations, laws and orders issued or promulgated by any court or governmental agency having jurisdiction over operation, production or marketing on and from the assigned premises.

Assignor agrees to execute separate counterparts to this Assignment on forms approved by the Bureau of Land Management in accordance with Federal regulations. Such counterparts shall not be construed as assigning additional interests to those assigned herein and shall be subject to the terms hereof.

This assignment is executed without warranty of title, either express or implied.

The reservations herein made and the provisions and covenants contained herein shall attach to and run with the lands described herein and shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

EXECUTED this 2nd day of September, 1997, but effective for all purposes as of September 1, 1997.

ASSIGNOR:

Mary T. Ard, a/k/a Mary Hudson Ard

ASSIGNEE:

Stanley Energy W. Inc.,
a Nevada corporation

By: _____
Scott R. Clark, Vice President

ACKNOWLEDGEMENTS

STATE OF TEXAS §
§
COUNTY OF TARRANT §

The foregoing instrument was acknowledged before me this 2nd day of September, 1997 by Mary T. Hudson, a/k/a Mary Hudson Ard.

Heather Lynn B. Brazeau
Notary Public

My Commission expires: 10.21.2000

HEATHER LYNN B. BRAZEAU
MY COMMISSION EXPIRES
October 21, 2000

STATE OF COLORADO §
§
COUNTY OF DENVER §

The foregoing instrument was acknowledged before me this 9 day of September, 1997 by Scott R. Clark, Vice President of Stanley Energy W., Inc., a Nevada corporation, on behalf of said corporation.

_____
Notary Public

My Commission expires: 02/07/98

NOTARY PUBLIC
STATE OF COLORADO

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Term Assignment of Oil and Gas Lease dated effective September 1, 1997 from Mary T. Ard, a/k/a Mary Hudson Ard, as "Assignor", to Stanley Energy W., Inc., a Nevada corporation, as "Assignee", insofar and only insofar as said lease covers the interest as set forth below:

An undivided 33.333% interest in Operating Rights in U.S.A. Oil and Gas Lease dated effective January 1, 1986, bearing Serial No. W-97280, covering the below described lands:

Township 28 North, Range 109 West, 6th P.M.
Section 21: All
Section 28: All
Section 29: $E\frac{1}{2}$, $S\frac{1}{2}SW\frac{1}{4}$
Section 31: Lots 1-4, $E\frac{1}{2}W\frac{1}{2}$, $E\frac{1}{2}$

Containing 2,269.04 acres, more or less.

545

RS

Form 3100-11*
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0006
Expires January 31, 1986

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1986 JUL 10 AM 9 30
WYOMING

Serial No.
W-100902

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: Eugene J. Wait, Jr.

Street: Post Office Box 719

City, State, Zip Code: Reno, Nevada 89504

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

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Lands in offer were not within a known geologic structure on 7/16/86

Donald H. Stevens
District Manager
Rock Springs District

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____ Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

T. 29 N., R. 108 W., Sublette County, 6th PM, WY
sec. 27, all;
34, all;
35, all.

263821

RECORDED Oct. 2 1997 3:30 p
BOOK 105 Pt G PAGE 545
FEE $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Patti Seaton

R/S
Dm
-1W

Total acres in lease 1920.00
1920.00
Rental retained $ _____

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 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)

JUL 21 1986
(Date)

EFFECTIVE DATE OF LEASE AUG 1 1986

*(Formerly 3110-1, 2, 3, 3120-1, 7, 3130-4, 5, and 7)

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.

Duly executed this 8th day of July, 19 86. Eugene J. Waitz

(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 safe working environment in accordance with standard industry practice; 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.

547

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1986 JUL 10 AM 9:30

RECEIVED
CASPER, WYOMING

W-100902

1. SURFACE DISTURBANCE STIPULATION

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) from a historic trail.

e. Construction 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 lease parcels. The intent of this stipulation is to inform interested parties (potential lessees) that, when one or more of the five (a through e) environmental conditions exist, surface disturbing activities will be prohibited unless or until the lessee or his designated operator and the surface management agency (SMA) arrive at an acceptable plan for mitigation of anticipated impacts. This negotiation will occur prior to development of the lease and become a condition for approval in the Application for Permit to Drill (APD).

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). These decisions, where possible, should be documented in the land use planning documents.

July 8, 1986
Date

Eugene J. Waitt
Signature

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] [redacted]

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1986 JUL 10 AM 9 30

RECEIVED
BLM, WYOMING

W- 10090

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). Legal descriptions 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 is processed. It should eventually become a condition for approval in the Application for Permit to Drill.

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. Raptors including eagles, accipiters, falcons, buteos, osprey, ferruginous hawks, burrowing owls, and sage and sharp-tailed grouse all 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.

July 8, 1986
Date

CERTIFIED
to be a true and comparative copy
of the official records on file

Eugene J. Waitt Jr.
Signature

SEP 15 1987
BUREAU OF LAND MANAGEMENT

549

RS

Form 3100-11*
(March 1984)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0068
Expires January 31, 1986

Serial No.
W-102717

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: Eugene J. Wait, Jr.
Street: Post Office Box 719
City, State, Zip Code: Reno, NV 89504

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

Lands in offer were not within a known geologic structure on 11/2/86.

Chester P. Haugo
District Manager
Rock Springs District

CERTIFIED
to be a true and comparative copy
of the official records on file
SEP 15 1997
BUREAU OF LAND MANAGEMENT

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____ Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:
T. R. Meridian State County

T. 29 N., R. 107 W., Sublette County, 6th PM, WY
sec. 30, lots 1, 2, 3, 4, E½, E½W½;
31, lots 1, 2, 3, 4, E½, E½W½.

263822

RECORDED Oct. 2 1992 3:35 P.M.
IN BOOK 105 Otg PAGE 549
FEES $ 16.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cil Sexton DS.

Total acres in lease 1284.80
Rental retained $ 1285.00

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 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)
NOV 18 1986 (Date)

EFFECTIVE DATE OF LEASE DEC 1 1986

ORIGINAL

*(Formerly 3110-1, 2, 3, 3120-1, 7, 3130-4, 5, and 7)

[redacted] [redacted] [redacted]

4. (a) Undersigned certifies that (1) offeror is a citizen of the United States; an association of U.S. 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 other 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.

Duly executed this 21st day of October, 19 86. Eugene J Wantz

(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.

55/

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1986 OCT 23 AM 9:30

RECEIVED
CHEYENNE, WYOMING

W-102717

1. SURFACE DISTURBANCE STIPULATION

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) from a historic trail.

e. Construction 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 lease parcels. The intent of this stipulation is to inform interested parties (potential lessees) that, when one or more of the five (a through e) environmental conditions exist, surface disturbing activities will be prohibited unless or until the lessee or his designated operator and the surface management agency (SMA) arrive at an acceptable plan for mitigation of anticipated impacts. This negotiation will occur prior to development of the lease and become a condition for approval in the Application for Permit to Drill (APD).

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). These decisions, where possible, should be documented in the land use planning documents.

October 21, 1986
Date

Eugene J. Waitt, Jr.
Signature

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] W-10271[redacted]

1986 OCT 23 AM 9 30

RECEIVED
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). Legal descriptions 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 is processed. It should eventually become a condition for approval in the Application for Permit to Drill.

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. Raptors including eagles, accipiters, falcons, buteos, osprey, ferruginous hawks, burrowing owls, and sage and sharp-tailed grouse all 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.

October 21, 1986
Date

Eugene J. Waitt Jr.
Signature

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

You have the right to appeal to the Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the enclosed Form 1842-1. If an appeal is taken, your Notice of Appeal must be filed in this office so the case file can be transmitted to the Board. A copy of your Notice of Appeal and of any statement of reasons, written arguments, or briefs must also be served on the Office of the Solicitor as shown on Form 1842-1. It is also requested that you send a copy of any statement of reasons, written arguments, or briefs to the office issuing the decision appealed. In taking an appeal, there must be strict compliance with the regulations.

Andrew L. Tarshis
Chief, Leasing Section

In duplicate

Enclosures
Lease Forms
Stipulation(s)
Form 1842-1

Form 3100-11
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW118514

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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 Maurice W Brown
   Street 614 S Greeley Hwy
   City, State, Zip Code Cheyenne, WY 82007

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. R. Meridian State County

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 054ON R. 070OW 06th Meridian WY State Campbell County
sec. 009 SWSW;

263823

RECORDED Oct. 2 1997 3:35p
BOOK 105 OTG PAGE 555
FEES 14.00
COUNTY CLERK
CAMPBELLE COUNTY, PINEDALE WYOMING
By Barbara Boston

Total acres in lease 40.000
Rental retained $ 60.00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Cynthia S. Dragon
(Signing Officer)

for Supervisory Land Law Examiner
(Title)

DEC 20 1989
(Date)

EFFECTIVE DATE OF LEASE JAN 1 1990

(Continued on reverse)

ORIGINAL

[redacted]

555

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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ **day of** _____, **19** ____. _____

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID

30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: Feb. 28, 1991

State	Date of sale
WY	12-5-89

PARCEL NUMBER *(Include name of known geothermal resource area if bid is for geothermal resources lease)*	AMOUNT OF BID *(See Instructions on reverse)*	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
143		

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Maurice W. Brown
(Print or type name of Bidder) (Lessee)

(Signature of Bidder) (Lessee)

614 So. Greeley Hwy.
(Address of Bidder) (Lessee)

Cheyenne WY 82007
(City, State, and 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.

(Continued on reverse)

Form 3000-2 (June 1988)

118514

NOTICE TO LESSEE

Provisions of the 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 mineral 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, sublessee, 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, sublessor, 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] [redacted]

WYW [redacted] 118514

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.

I hereby certify that this is a true and complete copy of the official records on file
SEP 15 1997
BUREAU OF LAND MANAGEMENT

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 threshold 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.

560

Form 3109-11b
(August 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW125948

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: High Plains Energy Company
   Street: 1600 Broadway #1565
   City, State, Zip Code: Denver, CO 80202

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   ***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**
   T. R. Meridian State County

263824

RECORDED Oct. 2 1997 3:35pm
BOOK 105 OTS 4 PAGE 560
$16.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Barton

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 029ON R. 108OW 06th Meridian WY State Sublette County
sec. 018 LOTS 1-4;
018 E2,E2W2;
020 ALL;

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
Cathleen Kwalski
BUREAU OF LAND MANAGEMENT

Total acres in lease 1255.520
Rental retained $ 1884.00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Lawrence C. Spelts
(Signing Officer)

Supervisory Land Law Examiner (Title) DEC 18 1991 (Date)

EFFECTIVE DATE OF LEASE JAN 1 1992

ORIGINAL

(Continued on reverse)

[redacted] [redacted] [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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 300,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

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Duly executed this _____ day of _____, 19 ____.

_____

(Signature of Lessee or Attorney-in-fact)

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(c) Other, see attachment, or

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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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

562

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID

30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: Feb. 28, 1991

State	Date of sale
WY	12/3/91

PARCEL NUMBER

AMOUNT OF BID *(See Instructions below)*

TOTAL BID	PAYMENT SUBMITTED WITH BID

THE BID IS FOR *(Check one)*:

☒ Oil and Gas Parcel Number 393

☐ Geothermal Parcel Number _____
Name of Known Geothermal Resource Area (KGRA)

CERTIFIED
to be a true and comparative copy
of the official records on file
SEP 15 1997
BUREAU OF LAND MANAGEMENT

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220 *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

High Plains Energy Company
Print or Type Name of Lessee

1600 Broadway, Suite 1565
Address of Lessee

Denver CO 80202
City State Zip Code

Jon Roderick
Signature of Lessee or Bidder

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

OFFICIAL COPY

WYW125948

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

WYW125948

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 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 threshold 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1987
BUREAU OF LAND MANAGEMENT

WYW125948

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, 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

566

Form 3100-11b
(August 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW125949

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: High Plains Energy Company
   Street: 1600 Broadway #1565
   City, State, Zip Code: Denver, CO 80202

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____

*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. _____ R. _____ Meridian _____ State _____ County _____

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 029N R. 108W 06th Meridian WY State Sublette County

sec. 019 LOTS 1-4;
019 E2,E2W2;
029 ALL;
030 LOTS 1-4;
030 E2,E2W2;
031 LOTS 1-4;
031 E2,E2W2;

263825

RECORDED Oct. 2 1997 3:35p
IN BOOK 105 046 PAGE 566
FEES $20.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

Total acres in lease 2530.800
Rental retained $ 3796.50

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Steven L. Spaltz
(Signing Officer)

Supervisory Land Law Examiner (Title)

DEC 18 1991 (Date)

EFFECTIVE DATE OF LEASE JAN 1 1992

(Continued on reverse)

ORIGINAL

[redacted] [redacted] [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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 300,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 ____. _____

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

508

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: Feb. 28, 1991

State	Date of sale
WY	12/3/91

PARCEL NUMBER

AMOUNT OF BID *(See Instructions below)*

TOTAL BID	PAYMENT SUBMITTED WITH BID

THE BID IS FOR *(Check one)*:

☒ Oil and Gas Parcel Number 394

☐ Geothermal Parcel Number _____
Name of Known Geothermal Resource Area (KGRA)

CERTIFIED
to be a true and comparative copy
of the official records on file
SEP 15 1997
Judith A. Kowalski
BUREAU OF LAND MANAGEMENT

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

High Plains Energy Company
Print or Type Name of Lessee

Jon Roderud
Signature of Lessee or Bidder

1600 Broadway Suite 1565
Address of Lessee

Denver	CO	80202
City	State	Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

OFFICIAL COPY

WYW125949

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997

BUREAU OF LAND MANAGEMENT

WYW125949

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 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 threshold 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.

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BUREAU OF LAND MANAGEMENT

WYW125949

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, 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.

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BUREAU OF LAND MANAGEMENT

57a

WYW125949

2. WILDLIFE STIPULATION

c. No surface occupancy will be allowed on that portion of the lease within the following defined area for the purpose of protecting wildlife habitat, sage grouse strutting ground, sec. 29, SENE, NESE. 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, 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.

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SEP 15 1997

BUREAU OF LAND MANAGEMENT

WYW125949

3. SPECIAL RESOURCE PROTECTION STIPULATION

f. In order to protect the occupied dwellings, the District Manager reserves the right to prohibit surface disturbance within 1/4 mile of the occupied dwellings, wherever they occur.. This limitation does not apply to operation and maintenance of producing wells. Modifications to this limitation may be approved in writing by the Authorized Officer.

GUIDANCE:

The SPECIAL RESOURCE PROTECTION STIPULATION is intended for use only in the few very specialized, site-specific situations where one of the other three general stipulations will not adequately address the concern. The resource value, location, and specific restriction must be clearly identified. A detailed plan addressing mitigation and special restrictions on development will be required prior to development and will become a condition for approval in the Application for Permit to Drill or Sundry Notice.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

575

Form 3100-11b.
(August 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW125950

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: High Plains Energy Company
   Street: 1600 Broadway #1565
   City, State, Zip Code: Denver, CO 80202

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   ***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**
   T. R. Meridian State County

263826

RECORDED Oct. 2 1992 3:35 pm
BOOK 105 016 PAGE 574
FEES $20.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Burton

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 029ON R. 108OW 06th Meridian WY State Sublette County
sec. 028 ALL;

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Total acres in lease 640.000
Rental retained $ 960.00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Clarence R Spelts
(Signing Officer)

Supervisory Land Law Examiner (Title) DEC 13 1991 (Date)

EFFECTIVE DATE OF LEASE JAN 01 1992

ORIGINAL

(C...

[redacted] [redacted] [redacted]

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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 ____.

_____

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

576

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: Feb. 28, 1991

State	Date of sale
WY	12/3/91

PARCEL NUMBER	AMOUNT OF BID *(See Instructions below)*	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR *(Check one)*: ☒ Oil and Gas Parcel Number 395	CERTIFIED to be a true and comparative copy of the official records on file	
☐ Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA) _____	SEP 16 1997 BUREAU OF LAND MANAGEMENT	

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

High Plains Energy Company
Print or Type Name of Lessee

Jon Ladd
Signature of Lessee or Bidder

1600 Broadway Suite 1565
Address of Lessee

Denver	CO	80202
City	State	Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

OFFICIAL COPY

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997

BUREAU OF LAND MANAGEMENT

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 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 threshold 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.

CERTIFIED
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of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] WYW125950 [redacted]

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, 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

WYW125950

2. **WILDLIFE STIPULATION**

c. No surface occupancy will be allowed on that portion of the lease within the following defined area for the purpose of protecting wildlife habitat, sage grouse strutting ground, sec. 28, W2W2, SENW, NESW. 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, 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.

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SEP 15 1997

BUREAU OF LAND MANAGEMENT

[redacted] [redacted] [redacted]

3. **SPECIAL RESOURCE PROTECTION STIPULATION**

f. In order to protect the occupied dwellings, the District Manager reserves the right to prohibit surface disturbance within 1/4 mile of the occupied dwellings, wherever they occur. This limitation does not apply to operation and maintenance of producing wells. Modifications to this limitation may be approved in writing by the Authorized Officer.

GUIDANCE:

The SPECIAL RESOURCE PROTECTION STIPULATION is intended for use only in the few very specialized, site-specific situations where one of the other three general stipulations will not adequately address the concern. The resource value, location, and specific restriction must be clearly identified. A detailed plan addressing mitigation and special restrictions on development will be required prior to development and will become a condition for approval in the Application for Permit to Drill or Sundry Notice.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

582

Form 3100-11b
(August 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW125952

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: High Plains Energy Company
   Street: 1600 Broadway #1565
   City, State, Zip Code: Denver, CO 80202

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. _____ R. _____ Meridian _____ State _____ County

263827

RECORDED Oct. 2, 1997 3:35 p
BOOK 105 0+G PAGE 582
FEE 14.00
SUBLETTE COUNTY CLERK, PINEDALE WYOMING
By

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 029ON R. 109OW 06th Meridian WY State Sublette County
sec. 013 ALL;
014 ALL;
023 ALL;
024 ALL;

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Total acres in lease 2560.000
Rental retained $ 3840.00

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____ (Signing Officer)

Supervisory Land Law Examiner (Title) DEC 13 1991 (Date)

EFFECTIVE DATE OF LEASE JAN 01 1992

ORIGINAL

(Continued on reverse)

4 (a) [redacted] certifies that (1) offeror is a citizen of the United States; an [redacted] such citizens; a municipality; or a corporation organized under the laws of the United States or of any [redacted] 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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 ____.

_____

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

584

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID

30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: Feb. 28, 1991

State	Date of sale
WY	12/3/91

PARCEL NUMBER

AMOUNT OF BID *(See Instructions below)*

TOTAL BID	PAYMENT SUBMITTED WITH BID

THE BID IS FOR *(Check one)*:

☒ Oil and Gas Parcel Number 397

☐ Geothermal Parcel Number _____

Name of Known Geothermal Resource Area (KGRA)

CERTIFIED
to be a true and comparative copy
of the official records on file
SEP 15 1997
BUREAU OF LAND MANAGEMENT

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

High Plains Energy Company
Print or Type Name of Lessee

Jon Rolfes
Signature of Lessee or Bidder

1600 Broadway Suite 1565
Address of Lessee

Denver CO 80202
City State Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

OFFICIAL COPY

[redacted] [redacted] [redacted]

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997

BUREAU OF LAND MANAGEMENT

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 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 threshold 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Form 3100-11
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No.
W-126100

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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 McMurry Oil Company,
   Street P. O. Box 220,
   City, State, Zip Code CASPER, WYOMINH 82602

2. This application/offer/lease is for: *(Check only One)* [X] PUBLIC DOMAIN LANDS ☐ ACQUIRED LANDS (percent U.S. interest _____)
   Surface managing agency if other than BLM: _____ Unit/Project _____
   Legal description of land requested: *Parcel No.:_____ *Sale Date (m/d/y):____/____/____
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. 29 N., R. 108 W., Meridian 6th P. State WYOMING County SUBLETTE
Sec. 6: Lots 1-7, S½NE¼, SE¼NW¼, E½SW¼, SE¼ (All);
Sec. 7: Lots 1-4, E½W½, E½ (All);
T. 29 N., R. 109 W., 6th P. M., Wyoming
Sec. 1: Lots 1-4, S½N½, S½ (All);
Sec. 9: All;
Sec. 10: All;
Sec. 12: W½.

263828

RECORDED Oct. 2 1992 3:35 PM
IN BOOK 105 OR PAGE 587
14.00
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Boston

Amount remitted: Filing fee $ 25.00 Rental fee $ 5,170.50 Total acres applied for 3446.61
Total $ 5,245.50

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T.	R.	Meridian	State	County

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
91 DEC 23 AM 9:00
RECEIVED
CHEYENNE, WYOMING

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Total acres in lease _____
Rental retained $ _____

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

[X] Noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis
(Signing Officer)

SUPERVISORY LAND LAW EXAMINER (Title) DEC 31 1991 (Date)

EFFECTIVE DATE OF LEASE JAN 01 1992

ORIGINAL

(Continued on reverse)

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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this 23rd day of DECEMBER, 19 91. PRESIDENT

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1988—573-016/95010

[redacted] [redacted] [redacted] [redacted]

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 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 threshold 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

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, 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.

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of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] WYW126111 [redacted]

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997

BUREAU OF LAND MANAGEMENT

592

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW130750

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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 Sindbad Partnership
   Street Box 451
   City, State, Zip Code Albuquerque, NM 87103

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   *SEE ITEM 1 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. R. Meridian State County

263823

RECORDED Oct. 8 1997 3:35 p.m.
105.00
18.00
BOOK 592
SUBLETTE COUNTY, PINEDALE WYOMING
By Carol Easton

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 031ON R. 114OW 06th Meridian WY State Sublette County
sec. 029 N2,N2SW,NWSE;
030 LOTS 1-4;
030 E2,E2W2;

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

8/9/17

Total acres in lease 1074.120
Rental retained $ 1612.50

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis
(Signing Officer)

Supervisory Land Law Examiner (Title) NOV 01 1993 (Date)

EFFECTIVE DATE OF LEASE DEC 01 1993

(Continued on reverse)

ORIGINAL

[redacted] [redacted] [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 each public domain and acquired lands separately in the same State do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 ____. _____

(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) Noncompetitive lease. $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for the first 5 years; thereafter $2.00;
(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

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), or (c) 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.

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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.

594

WYW130750

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: April 30, 1994

State	Date of sale
WY	10-5-93

PARCEL NUMBER	AMOUNT OF BID *(See Instructions below)*	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR *(Check one)*: ☐ Oil and Gas Parcel Number 456		CERTIFIED to be a true and comparative copy of the official records on file
☐ Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA) _____		SEP 15 1997 BUREAU OF LAND MANAGEMENT

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Lockhart Partnership
Print or Type Name of Lessee

Lee Jones
Signature of Lessee or Bidder

Ste 451
Address of Lessee

Albuquerque NM 87103
City State Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

OFFICIAL COPY

[redacted] [redacted] [redacted]

MULTIPLE MINERAL DEVELOPMENT STIPULATION

Operations will not be approved which, in the opinion of the authorized officer, would unreasonably interfere with the orderly development and/or production from a valid existing mineral lease issued prior to this one for the same lands.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997

BUREAU OF LAND MANAGEMENT

WYW130750

LEASE NOTICE NO. 1

Under Regulation 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the 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 threshold 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).

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of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] WY[redacted]0

NO SURFACE OCCUPANCY STIPULATION - NSO

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

(1) entire lease;

For the purpose of:

(2) protecting North Piney elk feedground.

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to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

ATTACHMENT TO EACH LEASE

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

CERTIFIED
to be a true and comparative copy
of the official records on file

SEP 15 1997
BUREAU OF LAND MANAGEMENT

[redacted] [redacted] [redacted]

AMENDED LEASE RE-ASSIGNMENT RIDER AGREEMENT

WHEREAS, GILMAN A. HILL, individually, SHAMA ZOE LIMITED PARTNERSHIP, a/k/a SHAMA KAFAR LIMITED PARTNERSHIP, and d/b/a ALPINE GAS COMPANY, all located at 7128 S. Poplar Lane, Englewood, Colorado 80112, with offices at 6400 S. Fiddler's Green Circle, Plaza Tower One, Suite 1977, Englewood, Colorado 80111 (collectively referred to as SHAMA ZOE) desire to enter into this AMENDED LEASE RE-ASSIGNMENT RIDER AGREEMENT (the Agreement); and,

WHEREAS, GREGOR KLURFELD, individually, LIBERTY PETROLEUM CORPORATION, and UNITED OIL CORPORATION, all located at 185 Candlewood Path, Dix Hills, New York, 11746, (collectively referred to as LIBERTY), are willing to enter into this AMENDED LEASE RE-ASSIGNMENT RIDER AGREEMENT (the Agreement); and,

WHEREAS, the oil and gas leases described in Exhibit "A" contain a rider providing for re-assignment by SHAMA ZOE to LIBERTY under certain terms and conditions, a sample of such wording is attached as Exhibit "B"; and,

WHEREAS, SHAMA ZOE and LIBERTY desire to extend the date of re-assignment to LIBERTY as set forth in the last paragraph of the aforesaid re-assignment riders attached to the oil and gas leases provided for in Exhibit "A"; and,

NOW THEREFORE, in consideration of the mutual covenants and commitments contained herein, SHAMA ZOE AND LIBERTY agree as follows:

A. Prior to December 31, 1997, SHAMA ZOE agrees to commence and to promptly drill to total depth, a minimum of two (2) test wells, free of costs to LIBERTY, at the following locations to a depth sufficient to test the Lance formation, or to such lesser depth at which commercial production is established in said test wells, whichever is the lesser depth, and such test wells shall be plugged and abandoned as a dry hole or completed as a producer, in a workmanlike fashion.

Location of the Test Wells:

(1) SWNE Section 33-Township 32 North, Range 111 West (Cottonwood Fed #32-33)
(2) NWNE Section 16-Township 33 North, Range 111 West (Daniel #2-16)

SHAMA ZOE shall have the right to drill a test well in the NESW Sec. 25-Township 32 North, Range 110 West, in addition to or in place of the locations recited in (1) and (2) above.

263872

RECORDED Oct. 7 1997 10:15 A.M.
BOOK 105 O+G PAGE 599
FEES $14.50
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Saxton

1

599

Provided SHAMA ZOE has drilled the test wells set forth in A (1) and (2), as provided herein, any lease re-assignment obligation attached to the oil and gas leases described in Exhibit "A", due LIBERTY, on or before December 31, 1998, shall be extended to December 31, 1998.

Should SHAMA ZOE fail to drill the test wells described in paragraph A as provided therein, this Agreement shall automatically terminate between the parties and SHAMA ZOE agrees to promptly re-assign to LIBERTY its 100% interest in the leases described in Exhibit "A", which have reassignment obligations due prior to December 31, 1997, free of any burdens created by SHAMA ZOE, its successors and assigns, less and except those leases on which SHAMA ZOE, has established, or caused to be established, commercial production, or those leases, all or a portion of which are within a unit participating area established by a governmental authority.

B. Provided SHAMA ZOE, has fulfilled its obligations as provided in paragraph A, SHAMA ZOE shall have the option to drill five (5) additional test wells, on or before December 31, 1998, to effectuate an extension of the re-assignment obligation, free of costs to LIBERTY, on the lands described below to a minimum depth sufficient to test the Fort Union formation, or to such lesser depth at which commercial production is established. Such test wells shall be plugged and abandoned as a dry hole or completed as a producer in a workmanlike fashion, to-wit:

Within the boundaries of Alpine Tech Unit, Green Piney Unit and Daniel Unit covering all or a portion of the following townships:

Township 30 North, Range 109 West
Township 30 North, Range 110 West
Township 31 North, Range 110 West
Township 32 North, Range 110 West
Township 30 North, Range 111 West
Township 31 North, Range 111 West
Township 32 North, Range 111 West
Township 33 North, Range 111 West

Provided SHAMA ZOE has drilled the test wells described in paragraph B, as provided herein, any lease re-assignment obligation attached to the oil and gas leases described in Exhibit "A", due LIBERTY, on or before December 31, 1999, shall be extended to December 31, 1999.

Should SHAMA ZOE fail to drill the test wells set forth in paragraph B, this Agreement shall automatically terminate between the parties and SHAMA ZOE agrees to promptly re-assign to LIBERTY its 100% interest in the leases described in Exhibit "A", which have re-assignment obligations due on or before December 31, 1998, free of any burdens created by SHAMA ZOE, its successors and assigns, less and except those leases subject to a lease re-assignment obligation extended beyond December 31, 1998 under the terms and conditions set forth in paragraph A, as well as those leases on which SHAMA ZOE has established, or caused to be established, commercial production or those leases, all or a portion of which are within a unit participating area established by a governmental authority.

C. Provided SHAMA ZOE has fulfilled its obligations as provided in paragraphs A and B, SHAMA ZOE shall have the option to drill five (5) additional test wells, on or before December 31, 1999, to effectuate an extension of the re-assignment obligation, free of costs to LIBERTY, on the lands described in paragraph B, to a minimum depth sufficient to test the Fort Union formation, or to such lesser depth at which commercial production is established. Such test wells shall be plugged and abandoned as a dry hole or completed as a producer in a workmanlike fashion.

Provided SHAMA ZOE has drilled the test wells, as set forth in paragraph C, any lease re-assignment obligation attached to those oil and gas leases described in Exhibit "A", due LIBERTY, on or before December 31, 2000, shall be extended to December 31, 2000.

Should SHAMA ZOE fail to drill the test wells provided in paragraph C, this Agreement shall automatically terminate between the parties and SHAMA ZOE agrees to promptly re-assign to LIBERTY its 100% interest in the leases described in Exhibit "A", which have a lease re-assignment obligation due on or before December 31, 1999, free of any burdens created by SHAMA ZOE, its successors and assigns, less and except those leases subject to a lease re-assignment obligation extended beyond December 31, 1999 under the terms and conditions set forth in paragraphs A and B, as well as, those leases on which SHAMA ZOE, has established, or caused to be established, commercial production, or those leases, all or a portion of which are within a unit participating area established by a governmental authority.

D. SHAMA ZOE shall have the right to drill additional test wells on the lands described in paragraph B to reduce the numerical drilling obligation set forth in paragraph B and likewise to drill additional Test Wells as described in paragraph B to reduce the numerical drilling obligation as provided in paragraph C.

E. The base of the Fort Union formation and the top of the Lance formation, shall be described as the stratagraphic equivalent of the following depths:

(a) 6,870 feet in the Billy #33-16 well, located in the NWSE of Section 16, Township 31 North, Range 111 West.

(b) 6,790 feet in the Ross "A" Federal #13-19 well, located in the NWSW of Section 19, Township 30 North, Range 110 West

(c) 8,535 feet in the Mesa Federal #22-2 well, located in the SENW Section 2, Township 31 North, Range 109 West.

(d) 8,010 feet in the Paradise #23-31 well, located in the NESW (Lot 7) of Section 31, Township 31 North, Range 109 West.

Any well drilled as provided in this Agreement to test the Lance formation shall be drilled 3,000' below the top of the Lance formation, while a well to test the Fort Union formation shall be drilled to the stratigraphic equivalent of the base of the Fort Union formation, as such formations are defined in paragraphs E, (a), (b), (c) and (d) above.

F. Should SHAMA ZOE be delayed beyond its control in commencing a test well as provided in paragraphs A, B or C, such obligation date shall be extended in time equal to the delay, but in no event longer than 60 days without the express written approval of LIBERTY, which shall not be unreasonably withheld.

G. SHAMA ZOE agrees to pay the annual lease delay rentals and to commence the drilling and completion operations within Green Piney, Alpine Tech and Daniel Unit, in a timely fashion to extend the term of the leases described in Exhibit "A". Should any portion of an Exhibit "A" lease be excluded from an approved unit by unit contraction, termination or for any reason, whatsoever, then, SHAMA ZOE shall immediately re-assign said portion of such lease(s) to LIBERTY, free of any burdens created by SHAMA ZOE, less and except those leases on which SHAMA ZOE has established commercial production or which are held by production for other reasons, or those leases, all or a portion of which are within a unit participating area established by a governmental authority.

It is the intent of the parties hereto, that only those Exhibit "A" leases lying within Alpine Tech Unit, Green Piney Unit and Daniel Unit shall be a part of this Agreement.

H. SHAMA ZOE agrees to locate the test wells provided for in paragraphs A, B and C as follows:

(a) at least five (5) of the test wells set forth in paragraphs A, B and C shall be located on leases wherein LIBERTY owns an overriding royalty interest.

(b) at least eight (8) of the test wells set forth in paragraphs A, B and C shall be located on leases wherein LIBERTY owns an overriding royalty interest or within a 40-acre, off-set distance from said leases.

(c) the remaining test well locations provided for under this Agreement shall be at SHAMA ZOE'S choosing.

I. SHAMA ZOE agrees to promptly furnish LIBERTY with one (1) copy of all logs, tests, permits and reports, as well as daily drilling reports and production data reports, for the Test Wells provided for in paragraphs A, B and C. SHAMA ZOE shall have no obligation to divulge to LIBERTY its proprietary completion technology for the subject wells or any of its proprietary completion technology data or reports.

J. This Agreement may not be assigned in whole or in part by SHAMA ZOE without the prior written consent of LIBERTY. All of the provisions of this Agreement shall be binding upon the respective heirs, executors, administrators and successors, and assigns of SHAMA ZOE and LIBERTY.

K. Notwithstanding anything to the contrary, any extension of time to re-assign an oil and gas lease, created under this Agreement, shall be subject to all of the terms and conditions of the respective Re-Assignment Riders attached to the leases described in Exhibit "A", as amended by any extension of time to re-assign as provided for in paragraphs A, B and C of this Agreement.

L. SHAMA ZOE shall make every effort to effectuate a lease term extension as provided in the rules and regulations of the Bureau of Land Management for the leases set forth in Exhibit "A" by conducting drilling and completion activities within Alpine Tech, Green Piney and Daniel Unit, in a timely fashion. Should SHAMA ZOE fail to extend the lease term of a lease set forth in Exhibit "A", by drilling and/or completion activities or by termination of a unit, then SHAMA ZOE agrees to promptly pay LIBERTY liquidated damages of $20 per net acre for each Exhibit "A" lease which expires within the subject units.

M. SHAMA ZOE agrees to hold LIBERTY free and harmless from any liability whatsoever, including attorney's fees, regarding its activities pertaining to this Agreement

N. Any farmout agreement between SHAMA ZOE and a third party wherein a test well is required to be drilled on lands described in paragraph "B" or any test well drilled on said lands by Alpine Gas Company (a d/b/a of SHAMA ZOE), Alpine Operating Company, LLC (a wholly owned operating subsidiary of SHAMA ZOE), Alpine Joint Venture-I, LLC (an investment group controlled by Alpine Operating Company, LLC), Alpine Joint Venture-II, LLC (an investment group controlled by Alpine Operating Company, LLC) or other such investment groups formed or controlled by Alpine Operating Company, LLC, will be judged to be an earning test well as set forth in paragraphs A, B and C of this Agreement, provided such test well(s) are drilled in accordance with the terms and conditions of this Agreement.

IN WITNESS WHEREOF, this Amended Lease Re-Assignment Rider Agreement (Agreement) has been executed on behalf of the parties hereto on the date appearing below their signature but to be effective as of February 1, 1997.

SHAMA ZOE LIMITED PARTNERSHIP
a/k/a SHAMA KAFAR LIMITED PARTNERSHIP,
d/b/a Alpine Gas Company

By: _____
Gilman A. Hill, General Partner

Date: 8-04-97

_____
Gilman A. Hill, Individually

Date: 8-04-97

LIBERTY PETROLEUM CORPORATION

By: _____
Gregor Klurfeld, President

Date: 7-31-97

_____
Gregor Klurfeld, Individually

Date: 7-31-97

UNITED OIL CORPORATION

By: _____
Gregor Klurfeld, President

Date: 7-31-97

GAH

[redacted] [redacted] [redacted]

STATE OF NEW YORK)
)ss
COUNTY OF SUFFOLK)

On the 31st day of July, 1997, before me personally appeared GREGOR KLURFELD, 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 for the uses and purposes therein set forth.

Witness my hand and seal this 31st day of July, 1997.

My commission expires:
LINDA R. BLUMKIN
Notary Public, State of New York
No. 31-4688678
Qualified in New York County
Commission Expires August 31, 1997

Notary Public

STATE OF NEW YORK)
)ss
COUNTY OF SUFFOLK)

On the 31st day of July, 1997, before me personally appeared Gregor Klurfeld, to me personally known, who being by me duly sworn, did say that he is the President of LIBERTY PETROLEUM CORPORATION and that the foregoing instrument was signed on behalf of said corporation and said Gregor Klurfeld acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 31st day of July, 1997.

My commission expires:
LINDA R. BLUMKIN
Notary Public, State of New York
No. 31-4688678
Qualified in New York County
Commission Expires August 31, 1997

Notary Public

STATE OF NEW YORK)
)ss
COUNTY OF SUFFOLK)

On the 31st day of July, 1997, before me personally appeared Gregor Klurfeld, to me personally known, who being by me duly sworn, did say that he is the President of UNITED OIL CORPORATION and that the foregoing instrument was signed on behalf of said corporation and said Gregor Klurfeld acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 31st day of July, 1997.

My commission expires:
LINDA R. BLUMKIN
Notary Public, State of New York
No. 31-4688678
Qualified in New York County
Commission Expires August 31, 1997

Notary Public

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STATE OF COLORADO)
)ss
COUNTY OF ARAPAHOE)

On the 4th day of August, 1997, before me personally appeared GILMAN A. HILL, 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 for the uses and purposes therein set forth.

Witness my hand and seal this 4th day of August, 1997.

My commission expires:
11-21-98

Notary Public - JoAnn Sarver

JOANN SARVER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 11-21-98

STATE OF COLORADO)
)ss
COUNTY OF ARAPAHOE)

On the 4th day of August, 1997, before me personally appeared Gilman A. Hill, to me personally known, who being by me duly sworn, did say that he is the General Partner of SHAMA ZOE LIMITED PARTNERSHIP, a/k/a SHAMA KAFAR LIMITED PARTERSHIP, d/b/a Alpine Gas Company and that the foregoing instrument was signed on behalf of said limited partnership and said ~~Gregor Klurfeld~~ Gilman A. Hill acknowledged said instrument to be the free act and deed of said limited partnership.

Witness my hand and seal this 4th day of August, 1997.

My commission expires:
11-21-98

Notary Public - JoAnn Sarver

JOANN SARVER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 11-21-98

GAH
JJK

GPU - Green Piney Unit
ATU - Alpine Tech Unit
DU - Daniel Unit

Exhibit "A"

to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, a/k/a Shama Kafar Limited Partnership, and d/b/a Alpine Gas Company.
Page 1 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-102774 GPU	Liberty Petroleum Corporation	Township 32 North, Range 111 West Sec. 23: All Sec. 24: All Sec. 25: E/2, E/2NW/4, SW/4SW/4 Sec. 26: NE/4NW/4, S/2SE/4 Sec. 33: W/2 Sec. 35: NE/4NE/4	Shama Zoe Limited Partnership - 100%	1-1-1989	Liberty Petroleum Corporation	1-1-1998
USA WYW-114057 GPU	Liberty Petroleum Corporation	Township 30 North, Range 111 West Sec. 5: S/2N/2, S/2	Shama Zoe Limited Partnership - 100%	1-1-1989	Liberty Petroleum Corporation	1-1-1998
USA WYW-114058 GPU	Liberty Petroleum Corporation	Township 31 North, Range 111 West Sec. 10: SW/4 Sec. 14: E/2, SW/4, SE/4NW/4 Sec. 15: SW/4, W/2E/2, NE/4NE/4, NE/4SE/4	Shama Zoe Limited Partnership - 100%	1-1-1989	Liberty Petroleum Corporation	1-1-1998
USA WYW-114062 DU	Liberty Petroleum Corporation	Township 33 North, Range 112 West Sec. 11: All Sec. 12: All	Shama Zoe Limited Partnership - 100%	1-1-1989	Liberty Petroleum Corporation	1-1-1998
USA WYW-114856 DU	Liberty Petroleum Corporation	Township 33 North, Range 112 West Sec. 13: All	Shama Zoe Limited Partnership - 100%	2-1-1989	Liberty Petroleum Corporation	2-1-1998

02/10/1997 15:06 303-771-5477 ALPINE GAS CO PAGE 02

Exhibit "A" to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, a/k/a Shama Kafar Limited Partnership, and d/b/a Alpine Gas Company.
Page 2 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-115609 ATW	Liberty Petroleum Corporation	Township 30 North, Range 109 West Sec. 6: Lots 7, 14, E/2SW/4, N/2SE/4 Sec. 7: Lots 7-13, SE/4 Sec. 8: Lots 1,5, SE/4NE/4, S/2 Sec. 9: All Sec. 10: N/2 Sec. 17: N/2	Shama Zoe Limited Partnership - 100%	4-1-1989	Liberty Petroleum Corporation	4-1-1998
USA WYW-115622 DU	Liberty Petroleum Corporation	Township 33 North, Range 111 West Sec. 23: All Sec. 32: S/2SW/4	Shama Zoe Limited Partnership - 100%	4-1-1989	Liberty Petroleum Corporation	4-1-1998
USA WYW-118172 ATW	Gregor Klurfeld	Township 32 North, Range 110 West Sec. 25: E/2, E/2W/2, SW/4NW/4, NW/4SW/4 Sec. 35: All	Shama Zoe Limited Partnership - 100%	12-1-1989	Gregor Klurfeld	12-1-1997
USA WYW-118866 ATW	Liberty Petroleum Corporation	Township 32 North, Range 110 West Sec. 30: Lots 1-4, E/2W/2, E/2	Shama Zoe Limited Partnership - 100%	1-1-1990	Liberty Petroleum Corporation	1-1-1998
USA WYW-119474 CPW	Liberty Petroleum Corporation	Township 30 North, Range 110 West Sec. 29: Lot 7 Sec. 30: Lot 7	Shama Zoe Limited Partnership - 100%	3-1-1990	Liberty Petroleum Corporation	3-1-1998
USA WYW-121680 ATW	Liberty Petroleum Corporation	Township 30 North, Range 110 West Bed of the Green River riparian to: Sec. 3: Lots 4, 5, 6, 7, 10 Sec. 9: Lots 2, 3, 5 Sec. 10: Lots 3, 6 Sec. 15: Lots 1, 2, 3 Township 31 North, Range 110 West Bed of the Green River riparian to: Sec. 21: Lots 3, 4, 5, 6, 8 Sec. 27: Lot 4	Shama Zoe Limited Partnership - 100%	9-1-1990	Liberty Petroleum Corporation	9-1-1997

07/18/1997 15:06 303-771-5477 ALPINE GAS CO PAGE 03

608

Exhibit "A" to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, a/k/a Shama Esfar Limited Partnership, and d/b/a Alpine Gas Company.
Page 3 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-121681 CPW	Gregor Klurfeld	Township 30 North, Range 110 West Sec. 31: Lots 2-5, 7-10, 12, E/2E/2 Sec. 32: All Sec. 33: S/2N/2, S/2	Shama Zoe Limited Partnership - 100%	9-1-1990	Gregor Klurfeld	9-1-1997
USA WYW-121684 CPW	Gregor Klurfeld	Township 30 North, Range 111 West Sec. 6: Lots 1-4 Sec. 9: All	Shama Zoe Limited Partnership - 100%	9-1-1990	Gregor Klurfeld	9-1-1997
USA WYW-122965 DU	Liberty Petroleum Corporation	Township 33 North, Range 111 West Sec. 11: N/2NW/4 Sec. 18: Lots 1, 2, E/2NW/4 Sec. 22: N/2, SW/4, W/2SE/4 Sec. 27: W/2NE/4, SE/4NE/4, W/2, SE/4 Sec. 30: NE/4 Sec. 32: NW/4NW/4 Sec. 35: E/2	Shama Zoe Limited Partnership - 100%	1-1-1991	Liberty Petroleum Corporation	1-1-1998
USA WYW-124075 CPW	Liberty Petroleum Corporation	Township 31 North, Range 111 West Sec. 17: All Sec. 18: Lots 1-4, E/2W/2, E/2 Sec. 20: All Sec. 21: All	Shama Zoe Limited Partnership - 100%	5-1-1991	Liberty Petroleum Corporation	5-1-1997
USA WYW-124623 ATE	Liberty Petroleum Corporation	Township 30 North, Range 109 West Sec. 3: Lot 4, S/2NW/4, SW/4, SW/4SE/4 Sec. 4: Lots 1-3, S/2NE/4, SE/4NW/4, S/2 Sec. 5: Lots 2-5, SE/4SE/4, S/2 NW/4, NW/4SW/4 Sec. 6: Lots 8-13, S/2NE/4 Township 31 North, Range 109 West Sec. 12: Lot 5, W/2, SW/4NE/4, W/2SE/4 Sec. 33: Lots 4, 7, E/2, E/2NW/4	Shama Zoe Limited Partnership - 100%	7-1-1991	Liberty Petroleum Corporation	7-1-1997

07/18/1997 15:36 303-771-5477 ALPINE GAS CO PAGE 04

009

Exhibit "A" to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, and d/b/a Alpine Gas Company.
Page 4 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-124624 ATU	Liberty Petroleum Corporation	Township 30 North, Range 109 West Sec. 15: All Sec. 17: S/2 Sec. 20: All Sec. 21: All Sec. 22: W/2	Shama Zoe Limited Partnership - 100%	7-1-1991	Liberty Petroleum Corporation	7-1-1997
USA WYW-124625 ATU	Liberty Petroleum Corporation	Township 30 North, Range 109 West Sec. 22: E/2	Shama Zoe Limited Partnership - 100%	7-1-1991	Liberty Petroleum Corporation	7-1-1997
USA WYW-124628 ATU	Liberty Petroleum Corporation	Township 30 North, Range 110 West Sec. 24: All Sec. 25: All	Shama Zoe Limited Partnership - 100%	7-1-1991	Liberty Petroleum Corporation	7-1-1997
USA WYW-124629 ATU	United Oil Corporation	Township 30 North, Range 110 West Sec. 26: All Sec. 35: All	Shama Zoe Limited Partnership	7-1-1991	United Oil Corporation	7-1-1997
USA WYW-124630 GPU	Gregor Klurfeld	Township 31 North, Range 111 West Sec. 24: All Sec. 25: N/2, NW/4SW/4, N/2SE/4, SE/4SE/4	Shama Zoe Limited Partnership	7-1-1991	Gregor Klurfeld	7-1-1998
USA WYW-124634 GPU	Liberty Petroleum Corporation	Township 30 North, Range 111 West Sec. 1: Lots 1, 2, 3, 4, S/2N/2, S/2 Sec. 2: Lots 1, 2, 3, 4, S/2N/2, S/2 Sec. 12: All Sec. 13: NW/4NW/4	Shama Zoe Limited Partnership	7-1-1991	Liberty Petroleum Corporation	7-1-1998
USA WYW-124636 BU	Liberty Petroleum Corporation	Township 33 North, Range 111 West Sec. 35: W/2	Shama Zoe Limited Partnership - 100%	7-1-1991	Liberty Petroleum Corporation	7-1-1998
USA WYW-125137 ATU	Liberty Petroleum Corporation	Township 30 North, Range 109 West Sec. 27: All Sec. 28: All	Shama Zoe Limited Partnership - 100%	9-1-1991	Liberty Petroleum Corporation	9-1-1997

07/18/1997 15:06 303-771-5477 ALPINE GAS CO PAGE 05

Exhibit "A" to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, s/k/a Shama Kafar Limited Partnership, and d/b/a Alpine Gas Company.
Page 5 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-125138 ATU	Gregor Klurfeld	Township 31 North, Range 109 West Sec. 20: E/2NE/4, W/2E/2, NE/4SE/4, W/2	Shama Zoe Limited Partnership - 100%	9-1-1991	Gregor Klurfeld	9-1-1997
USA WYW- [was part of WYW-125138] ATU	Gregor Klurfeld	Township 31 North, Range 109 West Sec. 7: Lots 1-12, NW/4SE/4, S/2SE/4 Sec. 18: Lots 1-12, E/2	*Ultra Petroleum (USA) Inc. - 100% *Assigned but not yet BLM approved.	9-1-1991	Gregor Klurfeld	9-1-1997
USA WYW-125139 ATU	Gregor Klurfeld	Township 31 North, Range 109 West Sec. 19: Lots 1-12, E/2 Sec. 29: W/2, W/2NE/4 Sec. 30: E/2 Township 31 North, Range 110 West Sec. 24: E/2 Sec. 25: All	Shama Zoe Limited Partnership - 100%	9-1-1991	Gregor Klurfeld	9-1-1997
USA WYW-125140 ATU	Gregor Klurfeld	Township 30 North, Range 110 West Sec. 6: Lots 1-7, S/2NE/4, SE/4NW/4, E/2SW/4, SE/4 Township 31 North, Range 110 West Sec. 30: Lots 1-4, E/2W/2, E/2 Sec. 31: Lots 1-4, E/2W/2, E/2 Sec. 32: All	Shama Zoe Limited Partnership - 100%	9-1-1991	Gregor Klurfeld	9-1-1997
USA WYW-125141 ATU	Liberty Petroleum Corporation	Township 31 North, Range 110 West Sec. 13: All Sec. 14: All Sec. 23: All Sec. 24: W/2	Shama Zoe Limited Partnership - 100%	9-1-1991	Liberty Petroleum Corporation	9-1-1997
USA WYW- [was part of WYW-125141] ATU	Liberty Petroleum Corporation	Township 31 North, Range 110 West Sec. 12: S/2	*Ultra Petroleum (USA) Inc. - 100% *Assigned but not yet BLM approved.	9-1-1991	Liberty Petroleum Corporation	9-1-1997

07/18/1997 15:06 303-771-5477 ALPINE GAS CO PAGE 05

Exhibit "A" to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, a/k/a Shama Kafar Limited Partnership, and d/b/a Alpine Gas Company.
Page 6 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-125144 GPU	Gregor Klurfeld	Township 31 North, Range 111 West Sec. 19: Lots 1-3, E/2W/2, E/2 Sec. 28: All Sec. 29: All Sec. 30: Lots 1-4, E/2W/2, E/2	Shama Zoe Limited Partnership - 100%	9-1-1991	Gregor Klurfeld	9-1-1997
USA WYW-125145 GPU	Liberty Petroleum Corporation	Township 31 North, Range 111 West Sec. 31: Lots 1-4, E/2W/2, E/2 Sec. 32: N/2, SW/4, N/2SE/4, SW/4SE/4 Sec 33: N/2, N/2SW/4, SE/4SW/4, SE/4	Shama Zoe Limited Partnership - 100%	9-1-1991	Liberty Petroleum Corporation	9-1-1997
USA WYW-125638 DU	Liberty Petroleum Corporation	Township 33 North, Range 111 West Sec. 6: Lot 7, SE/4SW/4 Sec. 7: Lots 1-4, E/2W/2 Sec. 18: Lots 3,4, E/2SW/4 Sec. 19: Lots 1-4, E/2W/2 Sec. 30: Lots 1-4, E/2W/2 Sec. 31: Lots 1, 2, E/2NW/4, NE/4SW/4, N/2SE/4, SE/4SE/4	Shama Zoe Limited Partnership - 100%	11-1-1991	Liberty Petroleum Corporation	11-1-1997
USA WYW-129703 DU	Liberty Petroleum Corporation	Township 33 North, Range 111 West Sec. 11: E/2 Sec. 12: All Sec. 13: All Sec. 14: E/2	Shama Zoe Limited Partnership - 100%	8-1-1993	Liberty Petroleum Corporation	7-1-1998

07/18/1997 15:06 303-771-5477 ALPINE GAS CO PAGE 07

Exhibit "A" to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, a/k/a Shama Kafar Limited Partnership, and d/b/a Alpine Gas Company.
Page 7 of 7 Pages.

LESSOR and LEASE NUMBER	LESSEE	DESCRIPTION OF LAND	LEASE OWNER	DATE OF LEASE	OWNER OF REASSIGNMENT OBLIGATION	REASSIGNMENT DATE
USA WYW-135436 ATU	Liberty Petroleum Corporation	Township 30 North, Range 110 West Sec. 10: Lot 3 Sec. 12: Lots 6, 7, 8, SE/4SE/4, Sec. 15: Lot 9, Bed of river riparian to Lot 9 Sec. 22: Lot 1, Bed of river riparian to Lot 1 Township 31 North, Range 110 West Sec. 34: Lot 8, Bed of river riparian to Lot 8	Shama Zoe Limited Partnership - 100%	3-1-1990	Liberty Petroleum Corporation	3-1-1998
USA WYW-135437 ATU	Gregor Klurfeld	Township 31 North, Range 110 West Sec. 19: Lots 1, 2, 3, 4, E/2W/2, E/2	Shama Zoe Limited Partnership - 100%	7-1-1991	Gregor Klurfeld	7-1-1998

07/18/1997 15:06 303-771-5477 ALPINE GAS CO PAGE 08

614

Exhibit "B"

to Amended Lease Reassignment-Rider Agreement, effective February 1, 1997, by and between Gregor Klurfeld, individually, Liberty Petroleum Corporation, and United Oil Corporation; and Gilman A. Hill, individually, Shama Zoe Limited Partnership, a/k/a Shama Kafar Limited Partnership, and d/b/a Alpine Gas Company.

"Further, it is agreed that the Assignee will establish, or cause to be established, commercial production on said lease, or on lands with which the said lease is pooled, on or before (specified date on each Lease Rider Assignment) or Assignee will reassign the lease to Assignor, in its entirety, unencumbered by Assignee."

GAH

GAH

FJK

Form 3000-3
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-130317

Lease Effective Date
(Anniversary Date)
10-01-93

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

The W. Clifton Arbuckle Trust
W. Clifton Arbuckle, Trustee
633 17th St. #1910
Denver, CO 80202

10.0% of 100.0%

*If more than one assignee, check here ☒ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 29 North, Range 108 West, 6th P.M. Section 2: Lots 1-4, S½N½, S½ Section 3: S½NE¼, SE¼NW¼, N½SE¼, SE¼SE¼ Section 11: NE¼, N½NW¼, SE¼NW¼, N½SE¼, SE¼SE¼ containing 1,280.00 acres, more or less Sublette County, WY	100.0%	100.00%	-0-	-0-	6.0%

263875

RECORDED Oct. 7 1992 10:50 A.M.
BOOK 105 of Misc. PAGE 615
FEES $10.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Easton

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title)

Year PART C: GENERAL INSTRUCTIONS Year (Date)

[redacted]

615

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

Roubidoux, LLC
W. Clifton Arbuckle, Manager
633 17th St. #1910
Denver, CO 80202

30.0% of 100.0%

The Elliott A. Riggs Trust
Elliott A. Riggs, Trustee
P.O. Box 711
Farmington, NM 87499

30.0% of 100.0%

McLish Resources L. P.
McLish Petroleum Company, General Partner
633 17th St. #1910
Denver, CO 80202

30.0% of 100.0%

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me by H.P. McLish
this 14th day of May, 19 97.

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

Jaxcene L. Heinze
Notary Public
Jaxcene L. Heinze
633 17th St. #1910
Denver,CO 80202

My Commission Expires
Jan. 4, 2000

Executed this 14th day of May, 19 97

Name of Assignor as shown on current lease H. P. McLish
Please type or print

Assignor H. P. McLish (Signature)
or
Attorney-in-fact (Signature)

633 17th St. #1910
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 14th day of May, 19 97

The W. Clifton Arbuckle Trust

Assignee W. Clifton Arbuckle (Signature)
or W. Clifton Arbuckle, Trustee
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 fraudulent statements or representations as to any matter within its jurisdiction.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1988—673-016/85011

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 _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 27th day of May, 19 97

Assignee Roubidoux, LLC
(Signature)
or W. Clifton Arbuckle, Manager
Attorney-in-fact _____
(Signature)

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 _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 27th day of May, 1997

Assignee The Elliott A. Riggs Trust
(Signature)
or Elliott A. Riggs, Trustee
Attorney-in-fact _____
(Signature)

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 _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 14th day of May, 1997

Assignee McLish Resources L.P.
(Signature)
or
Attorney-in-fact H. P. McLish
(Signature)

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 _____ day of _____, 19 ____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact _____
(Signature)

_____
(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 fraudulent statements or representations as to any matter within its

618

Form 3000-3
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-130316

Lease Effective Date
(Anniversary Date)
10-01-93

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* The W. Clifton Arbuckle Trust 10.0% of 100.0%
   Street W. Clifton Arbuckle, Trustee
   City, State, ZIP Code 633 17th St. #1910
   Denver, CO 80202

*If more than one assignee, check here ☒ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 29 North, Range 108 West, 6th P.M. Section 1: Lot 4, SW¼NE¼, S½NW¼, S½ Section 12: All Section 13: NE¼, N½NW¼, NE¼SE¼ containing 1,399.79 acres, more or less Sublette County, WY 263876 RECORDED Oct. 7, 1997 10:55A.M. IN BOOK 105 O+G FAGE 618 10.00 Mary L. Lloyd COUNTY CLERK SUBLETTE COUNTY, PINEDALE WYOMING By Cat Boston	100.0%	100.0%	-0-	-0-	6.0%

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

PART B - GENERAL INSTRUCTIONS

Part A [redacted] ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed. [redacted]

Roubidoux, LLC
W. Clifton Arbuckle, Manager
633 17th St. #1910
Denver, CO 80202

30.0% of 100.0%

The Elliott A. Riggs Trust
Elliott A. Riggs, Trustee
P.O. Box 711
Farmington, NM 87499

30.0% of 100.0%

McLish Resources L. P.
McLish Petroleum Company, General Partner
633 17th St. #1910
Denver, CO 80202

30.0% of 100.0%

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me by H.P. McLish
this 14th day of May, 19 97.

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

Jaxcene L. Heinze
Notary Public
Jaxcene L. Heinze
633 17th St. #1910
Denver,CO 80202

My Commission Expires:
Jan. 4, 2000

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 14th day of May, 19 97

Name of Assignor as shown on current lease: H. P. McLish
Please type or print

Assignor _____ (Signature)
or H. P. McLish
Attorney-in-fact _____ (Signature)

633 17th St. #1910
(Assignor's Address)

Denver, CO 80202
(City) (State) (Zip Code)

Executed this 14th day of May, 19 97

The W. Clifton Arbuckle Trust

Assignee _____ (Signature)
or W. Clifton Arbuckle, Trustee
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 fraudulent statements or representations as to any matter within its jurisdiction.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1988—573-016/95011

619

620

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 _____ day of _____, 19 _____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 27th day of May, 19 97

Roubidoux, LLC

Assignee W. Clifton Arbuckle
(Signature)

or

Attorney-in-fact W. Clifton Arbuckle, Manager
(Signature)

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 _____ day of _____, 19 _____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 27th day of May, 1997

The Elliott A. Riggs Trust

Assignee _____
(Signature)

or

Attorney-in-fact Elliott A. Riggs, Trustee
(Signature)

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 _____ day of _____, 19 _____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

_____
(Assignor's Address)

_____
(City) (State) (Zip Code)

Executed this 14th day of May, 19 97

McLish Resources L.P.

Assignee _____
(Signature)

or

Attorney-in-fact H. P. McLish
(Signature)

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 _____ day of _____, 19 _____

Name of Assignor as shown on current lease _____
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

_____
(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 fraudulent statements or representations as to any matter within its

September 24, 1997

Clerk and Recorder
Sublette County, Wyoming
Pinedale, Wyoming

By this instrument I am tansferring interest in oil and gas rights from Mary H. Reed to Mary H. Reed, Henry E. Reed Trust dtd 12-1-95. Saddle Ridge Unit (EOG #0086950001), NLBS Unit (EOG #0261420001), NLB Unit (EOG #0109180001), Sublette County, Wyoming. See attached Exhit "A" for description of properties.

Sincerely,
Mary H. Reed
Mary H. Reed

STATE OF MONTANA)
) ss. ACKNOWLEDGEMENT
COUNTY OF YELLOWSTONE)

I, the undersigned, a Notary Public, duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certify that on the 30 day of September, 1997:

Mary H. Reed, personally known to me to be the person whose name is subscribed to the within instrument, appeared before me this day in person and acknowledged that she signed the said instrument as her free and voluntary act and deed for the uses and purposes therein set forth.

WITNESS my hand and official seal this 30 day of September, 1997.

(SEAL)

Notary Public for the State of Montana
Residing at Billings, Montana
My Commission expires: 2-14-99

263883

RECORDED Oct. 7 1997 11:10A
BOOK 105 Pg 615
FEES $ 8.00 Filmy L Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Quinton

615A

6|6A

EXHIBIT "A"

Federal Oil and Gas Lease Serial # E-07555, dated January 1, 1940, covering:

Township 27 North, Range 113 West (EOG LSE #0050143-000)

Section 9: W/2SW/4

Federal Oil and Gas Lease Serial # E-021978, dated January 1, 1940, covering

Township 27 North, Range 113 West (EOG LSE #0050142-000)

Section 4: SW/4SW/4

Section 9: NW/4, E/2SW/4, W/2SE/4

Federal Oil and Gas Lease Serial # E-026191, dated January 1, 1950, covering

Township 27 North, Range 113 West (EOG LSE #0050136-000)

Section 4: SE/4SW/4, SW/4SE/4

Federal Oil and Gas Lease Serial # W-9653, dated January 1, 1950, covering

Township 27 North, Range 113 West (EOG LSE #0050139-000)

Section 4: Lot 4 (NW/4NW/4), S/2NW/4, N/2SW/4, NW/4SE/4

Federal Oil and Gas Lease Serial # W-0256494, dated January 1, 1950, covering

Township 27 North, Range 113 West (EOG LSE #0050135-000)

Section 9: W/2NE/4

Federal Oil and Gas Lease Serial # W-9653 and # W-0256494 listed above were segregated out of lease #E-026191

[redacted] [redacted] [redacted]

Form 3100-11h
(August 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. UTU77755

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: Donald F Anderson Ltd
   Street: 1200 17th St #1150
   City, State, Zip Code: Denver, CO 80202

2. This application/offer/lease is for: *(Check only One)* X PUBLIC DOMAIN LANDS ☐ ACQUIRED LANDS (percent U.S. interest _____)
   Surface managing agency if other than BLM: _____ Unit/Project _____
   Legal description of land requested: *Parcel No _____ *Sale Date (m/d/y): ____ / ____ / ____
   ***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**
   T. _____ R. _____ Meridian _____ State _____ County _____

263926

RECORDED Oct. 9, 1992 3:40 P.M.
BOOK 105 Or 6 PAGE 617
FEE $ 20.00
SUBLETTE COUNTY, PINEDALE WYOMING
COUNTY CLERK
By Patricia Easton

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:
   T. 0200N R. 112?W Meridian 6th PM State Utah County Sublette
   Sec. 006: LOTS 3-5;
   005: S1/2N1/2, N1/2S1/2, SW1/4SE1/4;
   012: W1/2W1/2;
   012: E1/2W1/2 (EXCL 2.20 A IN R/W UT
   012: UTU-02440A);
   020: E1/2;

Total acres in lease 523.17
Rental retained $ _____

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

X Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis
(Signing Officer)
Supervisory Land Law Examiner
(Title)

OCT 16 1992
(Date)

EFFECTIVE DATE OF LEASE NOV 01 1992

(Continued on reverse)

FOR LESSEE

Tear

INSTRUCTIONS

Tear

A. General

1. The front of this form is to be completed only by parties filing for a noncompetitive lease. The BLM will complete front of form for all other types of leases.

2. Entries must be typed or printed plainly in ink. Offeror must sign Item 4 in ink.

3. An original and two copies of this offer must be prepared and filed in the proper BLM State Office. See regulations at 43 CFR 1821.2-1 for office locations.

4. If more space is needed, additional sheets must be attached to each copy of the form submitted.

B. Special:

Item 1—Enter offeror's name and billing address.

Item 2 - Identify the mineral status and, if acquired lands, percentage of Federal ownership of applied for minerals. Indicate the agency controlling the surface of the land and the name of the unit or project which the land is a part. The same offer may not include both Public Domain and Acquired lands. Offeror also may provide other information that will assist in establishing title for minerals. The description of land must conform to 43 CFR 3110. A single parcel number and Sale Date shall be the only acceptable description during the period from the first day following the end of a competitive process until the end of that same month, using the parcel number on the List of Lands Available for Competitive Nominations or the Notice of Competitive Lease Sale, whichever is appropriate.

Payments: The amount remitted must include the filing fee and the first year's rental at the rate of $1.50 per acre or fraction thereof. The full rental based on the total acreage applied for must accompany an offer even if the mineral interest of the United States is less than 100 percent. The filing fee will be retained as a service charge even if the offer is completely rejected or withdrawn. To protect priority, it is important that the rental submitted be sufficient to cover all the land requested. If the land requested includes lots or irregular quarter-quarter sections, the exact area of which is not known to the offeror, rental should be submitted on the basis of each such lot or quarter-quarter section containing 40 acres. If the offer is withdrawn or rejected in whole or in part before a lease issues, the rental remitted for the parts withdrawn or rejected will be returned.

Item 3—This space will be completed by the United States.

617A

PAPERWORK REDUCTION ACT STATEMENT

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that

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 lease activity.

3. Response to this request is required to obtain a benefit.

NOTICE

The Privacy Act of 1974 and the regulations in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas lease offer.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359

PRINCIPAL PURPOSE—The information is to be used to process oil and gas offers and leases.

ROUTINE USES:

(1) The adjudication of the lessee'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 consent or 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 offer may be rejected. See regulations at 43 CFR 3100.

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 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 ____. _____

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for primary term; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID

30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: Feb. 28, 1991

State	Date of sale
Wyoming	1/6/92

PARCEL NUMBER	AMOUNT OF BID *(See Instructions below)*	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR *(Check one)*:		
☑ Oil and Gas Parcel Number 339		
☐ Geothermal Parcel Number Name of Known Geothermal Resource Area (KGRA)		

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Donald B. Anderson, CPO
Print or Type Name of Lessee

Signature of Lessee or Bidder

1200 17th Street, Suite 1150
Address of Lessee

Denver CO 80202
City State Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

OPTIONAL USE COPY

Form 3000-2 (October 1989)

619 A

620A

QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association *(including partnerships and trusts)* of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be 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; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

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 bid for a Competitive Oil and Gas or Geothermal Resources Lease.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

PRINCIPLE PURPOSE: The information is to be used to process your bid.

ROUTINE USES: (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or 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: Disclosure of the information is voluntary. If all the information is not provided, your bid 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 in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220.
This information will be used to determine the bidder submitting the highest bid.
Response to this request is required to obtain a benefit.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W., Washington, D.C. 20240 and the Office of Management and Budget, Paperwork Reduction Project (1004-0074), Washington, D.C. 20503

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.

LEASE NOTICE NO. 1

Under Regulation 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the 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 threshold 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).

[redacted] [redacted] [redacted]

WYW127755

NO SURFACE OCCUPANCY STIPULATION - NSO

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

(1) sec. 20, SW;

For the purpose of:

(2) protecting sage grouse strutting ground.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

WYW127755

TIMING LIMITATION STIPULATION - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

(1) Feb 1 to Jul 31;

(1) Nov 15 to Apr 30;

On the lands described below:

(2) As defined on the Pinedale RMP Oil and Gas Lease Stipulation Overlay #2 excluding those lands covered by the NSO;

(2) As defined on the Pinedale RMP Oil & Gas Lease Stipulation Overlay #1 excluding those lands covered by the NSO;

For the purpose of (reasons):

(3) protecting sage grouse and raptor nesting habitat.

(3) protecting mule deer crucial winter range.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

ASSIGNMENT AND BILL OF SALE

DOUBLE EAGLE PETROLEUM & MINING COMPANY, of 777 Overland Trail, Casper, WY, of ("Assignor"), for and in consideration of Ten and no/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby SELL, ASSIGN, TRANSFER AND CONVEY unto WIND RIVER RESOURCES, INC., P.O. Box 2954, Casper, WY 82602 ("Assignee"), an undivided one-half of Assignor's right, title and interest in and to the following ("Interests"):

(a) The oil, gas and minerals, leasehold, royalty and overriding royalty interest described in Exhibit A, which is attached hereto and incorporated by reference;

(b) The oil, natural gas liquids or condensate inventory, including "line fill" and inventory below the pipeline connection accruing to the conveyed interests and in the tanks as of August 1, 1991 (the "Effective Date")

(c) All operating and unitization and pooling agreements, declarations, designations and other instruments, and the properties covered and the units created thereby, which relate to Subject Properties, and all rights and benefits thereunder or derived therefrom.

(d) Without limitation by the foregoing, all oil, gas and minerals and oil and gas royalty interests in the lands described or referred to in Exhibit A or to which the interest in Exhibit A relate (all of which interests, are collectively referred to as the "Subject Properties").

(e) All personal property, fixtures, equipment and improvements, located on or related to the Subject Properties used, useful or held for future use in connection with the exploration or development or operation thereof or in connection with the production or handling or treating or storing or transportation or petroleum or minerals produced therefrom or attributable thereto.

(f) All other property, leases, contracts, agreements, interests and rights, incident, related or appurtenant to any of the lands or leaseholds or properties or interests described or referred to in Exhibit A, and all privileges, licenses, license agreements, permits, easements and rights of way, of every kind and nature pertaining to or used or useful in connection with or incident to the Subject Properties, in whole or part, and any and all renewals and extensions of any of them.

263931

9:00A

RECORDED Oct. 10, 1997 M
IN BOOK 105 O+G PAGE 625
FEES $ 16.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

Assignee shall be entitled to any amount realized from and accruing to the Subject Properties subsequent to the Effective Date. Assignor shall be entitled to all the amounts realized from and accruing to the Subject Properties prior to the Effective Date. Assignee shall be fully subrogated to the rights of Assignor under all warranties of title previously made by others.

All of the provisions of this assignment shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the Assignor and Assignee herein.

THIS ASSIGNMENT is made and accepted without warranty of title, either express or implied, or any recourse against Assignor whatsoever.

IN WITNESS WHEREOF, Assignor has executed this instrument this 16th day of September, 1997.

Double Eagle Petroleum & Mining Company

SEAL

Attest: Carol A. Osborne

Carol A. Osborne
Corporate Secretary

By: Stephen H. Hollis

Title: President

STATE OF WYOMING)
)SS.
COUNTY OF NATRONA)

The foregoing instrument was acknowledged before me by Stephen H. Hollis, the President, of Double Eagle Petroleum & Mining Company, this 16th day of September, 1997.

Witness my hand and official seal.

Cindy L King
Notary Public

My Commission Expires:
7/3/98

CINDY L. KING - Notary Public
County of Natrona State of Wyoming
My Commission Expires July 3, 1998

[redacted] [redacted] [redacted]

EXHI[redacted]A"
Lease Description

Attached to and made a part of that certain Assignment and Bill of Sale by and between Double Eagle Petroleum and Mining Company, as Assignor, andWind River Resources, Inc.,as Assignee, dated effective August 1, 1991.

PROPERTY NAME: Mesa Unit

ARCO LEASE NO(S): 49-035-002107-000

LESSOR: USA (W-16167)

LESSEE: H. E. Harrington

DATE OF LEASE: July 1, 1952

RECORDING DATA: Not recorded

DESCRIPTION: An overriding royalty equal to 4.125% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:

T-33-N, R-109-W
Section 30: W/2 NE/4 NE/4 & SE/4 NE/4 NE/4
Sublette County, Wyoming

An overriding royalty equal to 1.00% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:

T-33-N, R-109-W
Section 30: NE/4 NE/4 NE/4

ARCO LEASE NO(S): 49-035-002068-000

LESSOR: USA (W-15315)

LESSEE: Mary Alice Guenzel

DATE OF LEASE: May 6, 1952

RECORDING DATA: Not recorded

DESCRIPTION: An overriding royalty equal to 3.125% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:

T-32-N, R-109-W
Section 7: Lots 1 & 6
Sublette County, Wyoming

PROPERTY NAME: Mesa Unit

ARCO LEASE NO(S): 49-035-002107-000

LESSOR: USA (W-16167)

LESSEE: H. E. Harrington

DATE OF LEASE: July 1, 1952

RECORDING DATA: Not recorded

DESCRIPTION:

T-33-N, R-109-W
Section 30: NE/4 NE/4 NE/4
Sublette County, Wyoming

INSOFAR AND ONLY INSOFAR as said lease covers the above described lands.

ARCO LEASE NO(S): 49-035-002177-000

LESSOR: USA (W-08593)

LESSEE: Gwen Keif

DATE OF LEASE: October 1, 1951

RECORDING DATA: Not recorded

DESCRIPTION:

T-33-N, R-109-W
Section 19: SE/4 NE/4 NE/4, E/2 SE/4 NE/4 & E/2 E/2 SE/4
Section 20: SW/4 NE/4 NE/4, S/2 NW/4 NE/4, SW/4 NE/4, W/2 SE/4 NE/4, S/2 N/2 NW/4, S/2 NW/4, SW/4, W/2 SE/4, W/2 E/2 SE/4
Sublette County, Wyoming

INSOFAR AND ONLY INSOFAR as said lease covers the above described lands.

ARCO LEASE NO(S): 49-035-002175-000

LESSOR: USA (W-08592)

LESSEE: Gwen Keif

DATE OF LEASE: October 1, 1952

RECORDING DATA: Not recorded

DESCRIPTION:

T-33-N, R-109-W
Section 29: N/2 N/2 NW/4, N/2 NW/4 NE/4 & NW/4 NE/4 NE/4
Sublette County, Wyoming

INSOFAR AND ONLY INSOFAR as said lease covers the above described lands.

All of the above described leases are subject to that certain Unit Agreement and Unit Operating Agreement dated August 1, 1980 by and between Mountain Fuel Supply Company, as operator and Hondo Oil & Gas Company et al, as non-operators.

ARCO [redacted]SE NO(S): 49-035-002[redacted]000

LESSOR: USA (W-15317)

LESSEE: R. L. Manning

DATE OF LEASE: June 1, 1952

RECORDING DATA: Not recorded

DESCRIPTION: An overriding royalty equal to 3.125% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:

T-32-N, R-109-W
Section 9: S/2 SW/4 & SW/4 SE/4
Sublette County, Wyoming

ARCO LEASE NO(S): 49-035-002173-000

LESSOR: USA (W-08589)

LESSEE: Jean Harmon

DATE OF LEASE: October 1, 1951

RECORDING DATA: Not recorded

DESCRIPTION: An overriding royalty equal to 3.125% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:

T-32-N, R-109-W
Section 5: SW/4 SW/4
Section 6: Lot 8 & S/2 SE/4
Section 7: NE/4 & N/2 SE/4
Section 8: W/2 NW/4 & NW/4 SW/4
Section 17: SE/4 NE/4 & NE/4 SE/4
Sublette County, Wyoming

ARCO LEASE NO(S): 49-035-002175-000

LESSOR: USA (W-08592)

LESSEE: Gwen Keif

DATE OF LEASE: October 1, 1951

RECORDING DATA: Not recorded

DESCRIPTION: An overriding royalty equal to 3.125% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:

T-33-N, R-109-W
Section 29: S/2 N/2 N/2 & NE/4 NE/4 NE/4
Sublette County, Wyoming

630

ARCO LEASE NO(S):	**49-035-002177-000**
LESSOR:	**USA (W-08593)**
LESSEE:	**Gwen Kelf**
DATE OF LEASE:	**October 1, 1951**
RECORDING DATA:	**Not recorded**
DESCRIPTION:	**An overriding royalty equal to 3.125% of the market value at the wells as produced of all the oil and gas and other hydrocarbon substances which may be produced and saved from the following described lands:**

T-33-N, R-109-W
Section 19: W/2 E/2 E/2 & NE/4 NE/4 NE/4
Section 20: N/2 N/2 N/2, SE/4 NE/4 NE/4, E/2 SE/4 NE/4 & E/2 E/2 SE/4
Sublette County, Wyoming

All of the above described leases and interests are subject to that certain Unit Agreement and Unit Operating Agreement dated August 1, 1980 by and between Mountain Fuel Supply Company, as operator and Hondo Oil & Gas Company et al, as non-operators.

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

THIS ASSIGNMENT OF OVERRIDING ROYALTY INTEREST ("Assignment") is made and entered into effective as of the 1st day of January, 1997, by and between **FORT COLLINS CONSOLIDATED ROYALTIES, INC.**, a Colorado corporation, with an address of P.O. Box 1363, Cheyenne, Wyoming 82001 (hereinafter sometimes referred to as "Assignor") and **WRW ENERGY CO.**, a Colorado general partnership, with an address of P.O. Box 1881, Cheyenne, Wyoming 82003, and **DIANNE E. GREENE**, an individual, with an address of 5905 Green Meadows Drive, Cheyenne, Wyoming 82001 (hereinafter sometimes individually referred to as "Assignee" and collectively as "Assignees").

WITNESSETH:

WHEREAS, Assignor is the owner of an undivided 5.9375% operating rights interest in the oil and gas leases covering lands located in Sublette County, Wyoming, and being described on Exhibit "A", insofar only as said leases cover the lands described on said Exhibit "A" which exhibit is hereby incorporated herein; and

WHEREAS, Assignor desires to convey to Assignees as tenants in common a proportionately reduced undivided six percent (6%) (i.e., 5% to WRW Energy Co. and 1% to Dianne E. Greene) overriding royalty interest to be borne out of Assignor's leasehold operating rights interest in each of said oil and gas leases to the extent only that they cover the lands described on Exhibit "A".

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby confessed and acknowledged, Assignor does hereby grant, assign and convey unto Assignees as tenants in common the following overriding royalty interests in, to and of all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed under the terms of each of the oil and gas leases described on Exhibit "A" insofar only as they cover the lands described on said Exhibit, to-wit:

WRW Energy Co.	-	5% of 5.9375% or 0.296875% of 8/8ths
Dianne E. Greene	-	1% of 5.9375% or 0.059375% of 8/8ths

TO HAVE AND TO HOLD the overriding royalty interests herein assigned and conveyed unto Assignees, their respective heirs, personal representatives, successors and assigns, forever, subject to the terms of the oil and gas leases described on Exhibit "A" and to the following:

1. Assignees shall bear and pay their proportionate share of all taxes which may now or hereafter be applicable to or in any manner connected with the overriding royalty interest herein conveyed unto Assignees, including without limitation, all production, severance, excise or other taxes;

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RECORDED Oct. 10 1997 3:20 P M
BOOK 105 O-6 PAGE 631
$5.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

2. The overriding royalty interests herein conveyed unto Assignees shall be free and clear of all costs, expenses or charges which may be now or hereinafter applicable to or in any manner connected with the exploration, development, production, separation, dehydration or storage of any or all of the oil, gas or other hydrocarbon substances that may be produced, saved and marketed from the subject leases and lands; provided, however, Assignees shall bear and pay their proportionate shares of the costs and charges for compression, gathering, transportation and marketing.

3. The overriding royalty interests conveyed herein shall be held subject to that certain Unit Agreement for the Development and Operation of the New Fork Unit Area dated November 25, 1980 and the Unit Operating Agreement for the New Fork Unit also dated November 25, 1980, naming El Paso Natural Gas Company as the original Unit Operator; and to the terms of that certain Farmout Agreement dated July 16, 1996, as amended by Letter Agreement dated July 26, 1996, between McMurry Oil Company and Meridian Oil Inc. and specifically to the terms of the Joint Operating Agreement attached as Exhibit "C" thereof.

4. Duplicate original copies of this Assignment may be executed and filed with the Bureau of Land Management, Department of the Interior, in sufficient counterparts to satisfy the federal and/or state regulatory requirements. Those assignments shall be deemed to contain all of the terms and provisions hereof 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 herein conveyed.

5. With respect to each of the leases described on Exhibit "A" to the extent that the leasehold estate therein covers less than the entire fee mineral estate in the lands subject thereto, the overriding royalty interest herein conveyed unto each of the Assignees shall be proportionately reduced.

THIS ASSIGNMENT is made without warranties or covenants of title, express or implied; and is executed effective as of the day and year first above written.

ATTEST:

SEAL

Jeanne E Greene
Asst. Sec. - Treas.

FORT COLLINS CONSOLIDATED ROYALTIES, INC.

By: Ed N Harrison
Ed N. Harrison, President

STATE OF Wyoming)
) ss.
COUNTY OF Laramie)

The foregoing instrument was acknowledged before me this 19th day of ~~April~~ May, 1997, by Ed N. Harrison as President of Fort Collins Consolidated Royalties, Inc., a Colorado corporation, on behalf of the corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:

11-1-98
(SEAL)

DIANNE E. GREENE - NOTARY PUBLIC
County of Laramie State of Wyoming
My Commission Expires Nov. 1, 1998

Dianne E Greene
Notary Public
Address: 5905 Green Meadows Dr
~~Cheyenne, WY 82001~~

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest between Fort Collins Consolidated Royalties, Inc. and WRW Energy Co. and Dianne E. Greene.

LEASE SCHEDULE
STATE OF WYOMING - COUNTY OF SUBLETTE

Lease Name/Number	Lessee	Lease Date	Description	Acres	Recording Book Page
WYE-026025	Griselda M. Bennett	04/01/50	Township 31 North, Range 109 West, 6th P.M. Section 14: SW/4, S/2 NW/4 Section 23: E/2 Section 24: W/2 SW/4	640.00	— —
WYE-026026	Elizabeth Rawson	04/01/50	Township 31 North, Range 109 West, 6th P.M. Section 11: Lot 1 (28.93 acres) Section 12: Lot 9 (22.02) acres together with all the bed of the New Fork River between the mean high water mark and medial lines thereof in front of and appurtenant to Lot 1 of Section 11 and Lots 8, 9 and 10 of Section 12	75.65	— —
WYW-06269	Donald B. Anderson	06/01/51	Township 31 North, Range 109 West, 6th P.M. Section 13: All Section 14: E/2 Section 24: N/2, SE/4, E/2 SW/4 Section 25: All	2,160.00	— —
WYW-06270	Donald B. Anderson	06/01/51	Township 31 North, Range 109 West, 6th P.M. Section 2: Lot 3 (39.26 acres), Lot 4 (39.46) acres, S/2 NW/4, S/2 Section 3: Lot 1 (39.37 acres), Lot 2 (39.42 acres), Lot 3 (39.48 acres), Lot 4 (39.53 acres), S/2 N/2, S/2 Section 10: NE/4, NW/4 SE/4 Section 11: N/2 NW/4 Section 12: Lot 8 (41.42 acres), Lot 10 (36.86 acres), SE/4 SW/4	1,514.60	— —
WYW-06283	Floyd H. Schroeder	06/01/51	Township 31 North, Range 108 West, 6th P.M. Section 19: Lots 3, 4, E/2 SW/4 Section 30: Lots 1, 2, 3, 4, E/2 W/2 Section 31: Lots 1, 2, 3, 4, E/2 W/2	614.32	— —
WYW-06286	Donald B. Anderson	06/01/51	Township 32 North, Range 109 West, 6th P.M. Section 27: S/2 Section 28: SE/4 Section 33: E/2 Section 34: All Section 35: SW/4	1,600.00	— —

[redacted] EXH [redacted] [redacted]

Attached to and made a part of that certain Assigment of Overriding Royalty Interest between Fort Collins Consolidated Royalties, Inc. and WRW Energy Co. and Dianne E. Greene.

LEASE SCHEDULE
STATE OF WYOMING - COUNTY OF SUBLETTE

Lease Name/Number	Lessee	Lease Date	Description	Acres	Recording Book Page
WYW-06933	S.J. Jelso	07/01/51	Township 30 North, Range 108 West, 6th P.M. Section 5: Lots 1, 2, 3, 4, S/2 N/2, S/2 Section 8: N/2 Township 31 North, Range 108 West, 6th P.M. Section 30: E/2 Section 32: W/2	1,590.20	11 231
WYW-06934	R.A. Trombley	07/01/51	Township 31 North, Range 108 West, 6th P.M. Section 29: W/2 Section 31: E/2 Township 30 North, Range 108 West, 6th P.M. Section 6: Lots 1, 2, S/2 NE/4	797.84	11 238
WYW-015314	Edwin L. Guenzel	06/01/52	Township 30 North, Range 108 West, 6th P.M. Section 9: S/2 Section 10: S/2 Section 14: SW/4 Section 15: All	1,440.00	— —
WYW-015316	Fred M. Manning, Jr.	06/01/52	Township 30 North, Range 108 West, 6th P.M. Section 4: Lot 3 (35.88 acres), Lot 4 (36.36 acres), S/2 NW/4, S/2 Section 9: N/2 Section 10: NW/4 Township 31 North, Range 108 West, 6th P.M. Section 29: SE/4 Section 32: E/2 Section 33: SW/4	1,592.24	11 247
WYW-016161	Phil D. Helmig	07/01/52	Township 30 North, Range 108 West, 6th P.M. Section 14: NE/4 NW/4, S/2 NW/4	120.00	— —
WYW-016162	Phil D. Helmig	06/01/52	Township 30 North, Range 108 West, 6th P.M. Section 11: SW/4	160.00	— —
WYW-018039	Morris Kline	10/01/52	Township 30 North, Range 108 West, 6th P.M. Section 14: NW/4 NW/4	40.00	— —

631 A

WY 299

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-08592

Lease Effective Date
(Anniversary Date)
10/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Burlington Resources Oil & Gas Company
Street P. O. Box 51810
City, State, ZIP Code Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 33 North, Range 109 West, 6th P.M.					
Section 21: S2S2	50.000%	50.000%	-0-	None	Of Record
Section 28: All	50.000%	50.000%	-0-	None	Of Record
Section 29: N2N2NW4, N2NW4NE4, NWNENE	30.000%	30.000%	-0-	None	Of Record
Section 29: S2N2NW, S2NWNE, NENENE, S2N2, S2NENE, S2	50.000%	50.000%	-0-	None	Of Record
Section 32: E2	50.000%	50.000%	-0-	None	Of Record
Section 33: All	50.000%	50.000%	-0-	None	Of Record
Section 34: W2W2	50.000%	50.000%	-0-	None	Of Record
2e 40060					
Sublette County, Wyoming Containing 2560.00 acres, more or less					

RECORDED Oct. 21 1997 9:05a
105 of 6
10.00
631
SUBLETTE COUNTY, PINEDALE WYO.
By Cathy Burton

(It is the intent of this assignment to convey all Record Title, associated Operating Rights, and ORRI as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

[redacted] [redacted] [redacted]

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description In Item No. 2, if needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Dennis Sledge, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of Burlington Resources Oil & Gas Company, 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 29th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 21st day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando I. Trevino
Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 29th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

GKD

NV

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

1032 A

ACKNOWLEDGEMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me the 21st day of August 1997, by Rolando I. Trevino, as Attorney-In-Fact of El Paso Natural Gas Company, a Delaware corporation on behalf of said corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

4-9-98

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public in and for El Paso County,
State of Texas

[redacted] [redacted] [redacted]

WY 300

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-08593

Lease Effective Date
(Anniversary Date)
10/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Burlington Resources Oil & Gas Company
   Street P. O. Box 51810
   City, State, ZIP Code Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 (Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.) a	Percent of Interest Owned b	Conveyed c	Retained d	Percent of Overriding Royalty or Similar Interests Reserved e	Previously reserved or conveyed f
Township 33 North, Range 109 West, 6th P.M.					
Section 17: S2NE, W2, SE	50.000%	50.000%	-0-	None	Of Record
Section 18: Lots 1,2,3,4, E2W2, E2	50.000%	50.000%	-0-	None	Of Record
Section 19: SENENE, E2SENE, E2E2SE	30.000%	30.000%	-0-	None	Of Record
Section 19: W2E2, N2NENE, SWNENE, W2SENE, W2NESE, W2SESE	50.000%	50.000%	-0-	None	Of Record
Section 20: SWNENE, S2NWNE, SWNE, S2SENE, S2N2NW, S2NW, SW, W2SE, W2E2SE	30.000%	30.000%	-0-	None	Of Record
Section 20: N2NWNW, N2NENW, N2NWNE, N2NENE, SENENE, E2SENE, E2SESE, E/2NESE	50.000%	50.000%	-0	None	Of Record
Section 21: W2NE, NW, N2S2	50.000%	50.000%	-0-	None	Of Record

264061

Sublette County, Wyoming
Containing 2548.92 acres, more or less

RECORDED Oct. 21, 1997 9:05 A
IN BOOK 105 OF Misc. Records PAGE 634
FEES 10.00

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE
THE UNITED STATES OF AMERICA

By Cap Barton

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 effective _____

By _____
(Authorized Officer)

☐ Assignment approved for attached land description

☐ Assignment approved for land description indicated on reverse of this form.

_____
(Title) (Date)

634A

635A

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description In Item No. 2, if needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared **Dennis Sledge**, known to me to be the person whose name is subscribed to the foregoing instrument as **Attorney-in-Fact** of **Burlington Resources Oil & Gas Company**, 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 29th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 21st day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando I. Trevino
Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 29th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

GKD 11/6

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

ACKNOWLEDGEMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me the 21st day of August 1997, by Rolando I. Trevino, as Attorney-in-Fact of El Paso Natural Gas Company, a Delaware corporation on behalf of said corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

4-9-98

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public in and for El Paso County, State of Texas

637

WY 259

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-016155

Lease Effective Date
(Anniversary Date)
7/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

Burlington Resources Oil & Gas Company
P. O. Box 51810
Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 30 North, Range 107 West, 6th P.M. Section 7: W/2 SE/4 Section 18: All Section 19: All Section 20: E/2 SE/4, W/2 E/2, W/2 Section 30: Lots 1,2,3,4, E/2 W/2, W/2 NE/4 Sublette County, Wyoming Containing 2158.40 acres, more or less	100.00%	100.00%	-0-	None	Of Record

264062

RECORDED Oct 21, 1997 9:05 A
637
105046
FEE $10.00 Mary L Lill COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYO.
By Cathy Baxter

(It is the intent of this assignment to convey all Record Title, associated Operating Rights and ORRI as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

[redacted] [redacted] [redacted]

Part A (Cont.) ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description In Item No. 2, if needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared **Dennis Sledge**, known to me to be the person whose name is subscribed to the foregoing instrument as **Attorney-in-Fact** of **Burlington Resources Oil & Gas Company**, 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 29th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 21st day of August, 19 1997

Name of Assignor as shown on current case EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando I. Trevino
Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 29th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

KR GRD

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

ACKNOWLEDGEMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me the 21st day of August 1997, by Rolando I. Trevino, as Attorney-in-Fact of El Paso Natural Gas Company, a Delaware corporation on behalf of said corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

4-9-98

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public in and for El Paso County,
State of Texas

[redacted] [redacted] [redacted] WY 262

Form 3000-3
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-016158

Lease Effective Date
(Anniversary Date)
7/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Burlington Resources Oil & Gas Company
   Street P. O. Box 51810
   City, State, ZIP Code Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein. a	Percent of Interest Owned b	Conveyed c	Retained d	Percent of Overriding Royalty or Similar Interests Reserved e	Previously reserved or conveyed f
Township 30 North, Range 107 West, 6th P.M. Section 7: Lots 1,2,3,4, E/2 W/2	100.00%	100.00%	-0-	None	Of Record
Township 30 North, Range 108 West, 6th P.M. Section 25: All Section 26: All Section 34: NE/4, N/2 SE/4, N/2 NW/4 Section 35: N/2, N/2 S/2, S/2 SE/4	100.00%	100.00%	-0-	None	Of Record
Sublette County, Wyoming Containing 2475.20 acres, more or less					

264063

RECORDED Oct. 21, 1997 9:00A
BOOK 105 016 640
FEE $ 10.00
SUBLETTE COUNTY, PINEDALE, WYO.
By Cathy Saxton

(It is the intent of this assignment to convey all Record Title, associated Operating Rights and ORRI as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE 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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

640

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description In Item No. 2, if needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared **Dennis Sledge**, known to me to be the person whose name is subscribed to the foregoing instrument as **Attorney-in-Fact** of **Burlington Resources Oil & Gas Company**, 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 29th, day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 21st day of August, 19 1997

Name of Assignor as shown on current lease: EL PASO NATURAL GAS COMPANY
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact Rolando I. Trevino
Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 29th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

GKD
RV

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503

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.

[redacted] [redacted] [redacted]

ACKNOWLEDGEMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me the 21st day of August 1997, by Rolando I. Trevino, as Attorney-in-Fact of El Paso Natural Gas Company, a Delaware corporation on behalf of said corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

4-9-98

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public in and for El Paso County,
State of Texas

643

Form 3000-3
(January 1996)

WY 271

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

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 (42 U.S.C. 6508)

Lease Serial No.
WYW-016167

Lease Effective Date
(Anniversary Date)
7/1/52

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Burlington Resources Oil & Gas Company
   Street P. O. Box 51810
   City, State, ZIP Code Midland, TX 79710-1810

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
Township 32 North, Range 109 West, 6th P.M.					
Section 3: Lot 4, SW/4 NW/4, W/2 SW/4, SE/4 SW/4	50.000%	50.000%	-0-	None	Of Record
Township 33 North, Range 109 West, 6th P.M.					
Section 19: Lots 1,2,3,4, E/2 W/2	50.000%	50.000%	-0-	None	Of Record
Section 27: SW/4, SW/4 NW/4, SW/4 SE/4	50.000%	50.000%	-0-	None	Of Record
Section 30: NE/4 NE/4 NE/4	30.000%	30.000%	-0-	None	Of Record
Section 30: W/2 NE NE, SE NE NE, NW/4, S/2, W/2 NE/4, SE/4 NE/4	50.000%	50.000%	-0-	None	Of Record
Section 31: All	50.000%	50.000%	-0-	None	Of Record
Section 34: E/2 E/2	50.000%	50.000%	-0-	None	Of Record
Section 35: SW/4, SW/4 NW/4	50.000%	50.000%	-0-	None	Of Record
Sublette County, Wyoming					
Containing 2357.52 acres, more or less					

269404

RECORDED Oct. 21, 1997 M 9:05A
IN BOOK 105 Q46 PAGE 643
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

(It is the intent of this assignment to convey all Record Title, associated Operating Rights and ORRI as to the described lands)

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE
THE UNITED STATES OF AMERICA

By Patty Gordon

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____ _____
(Authorized Officer) (Title) (Date)

Part A (Con[redacted]DDITIONAL SPACE for Names and addresses of ad[redacted]gnees in Item No. 1, if needed, or for Land Description [redacted]em No. 2, if needed.

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared **Dennis Sledge**, known to me to be the person whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of Burlington Resources Oil & Gas Company**, 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 29th day of August, 1997.

BARBARA McCOWN
Notary Public
STATE OF TEXAS
My Comm. Exp. 09/26/2000

Barbara McCown
Notary Public

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, national, or resident alien of the United States or associations of such citizens, 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 the assignment are located; (c) Assignee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 21st day of August, 19 1997

Name of Assignor as shown on current lease EL PASO NATURAL GAS COMPANY
Please type or print

Assignor _____
(Signature)

or

Attorney-in-fact Rolando I. Trevino
Rolando I. Trevino (Signature)

P. O. Box 1492
(Assignor's Address)

El Paso, TX 79978
(City) (State) (Zip Code)

Executed this 29th day of August, 19 1997

Burlington Resources Oil & Gas Company

Assignee _____
(Signature)

or

Attorney-in-fact Dennis Sledge
Dennis Sledge (Signature)

16

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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.

ACKNOWLEDGEMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me the 21st day of August 1997, by Rolando I. Trevino, as Attorney-in-Fact of El Paso Natural Gas Company, a Delaware corporation on behalf of said corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

4-9-98

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public in and for El Paso County, State of Texas

QUIT CLAIM ASSIGNMENT

State:	Wyoming
County:	Sublette
Grantor:	El Paso Natural Gas Company
Grantor's Address:	P. O. Box 1492, El Paso, Texas 79978
Grantee:	Burlington Resources Oil & Gas Company
Grantee's Address:	P. O. Box 51810, Midland, TX 79710-1810
Date Executed:	August 21, 1997
Effective Date:	March 31, 1997

For adequate consideration, Grantor, named above, sells, assigns and quit claims to Grantee, named above, and Grantee's heirs and assigns, all of Grantor's right, title and interest, if any, in the following Oil & Gas Leases, in the county and state named above, insofar as said leases cover lands named, to wit:

USA WYW-06934:	All or part of Sections 6 & 7, T30N, R108W, 6th PM All or part of Sections 11 & 12, T31N, 108W, 6th PM
USA WYW-018039:	All or part of Sections 3, 14, 17, 18, 22, & 23, T30N, R108W, 6th PM All or part of Section 33, T31N, R108W, 6th PM
USA WYW-026025:	All or part of Sections 14,15,22,23,24,26,27,& 35, T31N, R109W, 6th PM
USA WYW-06283:	All or part of Sections 6 & 7, T30N, R108W, 6th PM All or part of Sections 19, 30, & 31, T31N, R108W, 6th PM
USA WYW-06286:	All or part of Sections 27, 28, 33, 34, & 35, T32N, R109W, 6th PM

To have and to hold the same, to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Neither Grantor nor Grantor's heirs, executors, administrators, successors or assigns shall have, claim or demand any right or title to the Lands or any part of it.

Grantor:

Rolando I. Trevino

El Paso Natural Gas Company
By Rolando I. Trevino, as Attorney-in-Fact

264065

Oct. 21, 1997 9:05
105 Ot6 646
6.00 Mary L. Lee COUNTY CLERK
PINEDALE, PINEDALE WYOMING

By Cathy Boxton

STATE OF TEXAS §
§
COUNTY OF EL PASO §

BEFORE ME, the undersigned authority, on this day personally appeared Rolando I. Trevino, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney-in-Fact of El Paso Natural Gas Company 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 August, 1997.

EVANGELINA QUINTANA NOTARY PUBLIC STATE OF TEXAS EXPIRES 4-9-98

Evangelina Quintana
Notary Public

646

647

264076

CONVEYANCE FORM

RECORDED Oct. 21 1997 10:35 AM
IN BOOK 105016 PAGE 647
FEES $22.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Judi Seaton

EQUITABLE RESOURCES ENERGY COMPANY (herein called "**Grantor**"), for **Ten Dollars and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER, and DELIVER unto CABOT OIL & GAS CORPORATION (herein called "Grantee"), whose address is 15375 Memorial Drive, Houston, Texas, 77079, the following described properties, rights and interests (the "Properties"):**

(a) All right, title and interest of Grantor in and to oil, gas and/or mineral leases described on **Exhibit A** hereto (including, without limitation, all reversionary interests, back-in interests, overriding royalty interests, contractual rights, rights arising from revisions to participating areas in federal units, and other rights); and

(b) All rights, titles and interests of Grantor in and to, or otherwise derived from, all presently existing and valid oil, gas and/or mineral unitization, pooling, and/or communitization agreements, declarations and/or orders (including, without limitation, all units formed under orders, rules, regulations, or other official acts of any federal, state, or other authority having jurisdiction, and voluntary unitization agreements, designations and/or declarations) relating to the properties described in subparagraph (a) above; and

(c) All rights, titles and interests of Grantor in and to all presently existing and valid production sales contracts, operating agreements, and other agreements and contracts which relate to any of the properties described in subparagraphs (a) and (b) above, to the extent and only to the extent such rights, titles and interests are attributable to the properties described in subparagraphs (a) and (b) above; and

(d) All rights, titles and interests of Grantor in and to all materials, supplies, machinery, equipment, improvements and other personal property and fixtures (including, but not by way of limitation, all wells, wellhead equipment, pumping units, flowlines, tanks, buildings, saltwater disposal facilities, injection facilities, compression facilities, gathering systems, and other equipment) located on the properties described in subparagraphs (a) and (b) above and used in connection with the exploration, development, operation or maintenance thereof, and in and to water rights, permits, licenses, rights of way, easements, and other rights of surface use used in connection with the exploration, development, operation or maintenance, of the properties described in subparagraphs (a) and (b) above, in each case to the extent and only to the extent such rights, titles and interests are attributable to the properties described in subparagraphs (a) and (b) above;

(e) All of Grantor's original lease files, abstracts and title opinions, division order files, production records, well files, accounting records (but not including general financial accounting or tax accounting records), and other similar files and records which directly relate to the Properties, other than those which Grantor cannot provide to Buyer without, in its opinion, waiving, or risking waiving, legal privilege; and

(f) Rights in, and obligations as to, gas imbalances, as more particularly provided in the P&S Agreement (below defined).

TO HAVE AND TO HOLD the Properties unto Grantee, its successors and assigns, forever.

EXCEPT AS PROVIDED IN THE P&S AGREEMENT, THIS CONVEYANCE IS MADE WITHOUT WARRANTIES OR REPRESENTATIONS, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND GRANTOR EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES. WITHOUT LIMITATION OF THE FOREGOING, THE PROPERTIES ARE CONVEYED PURSUANT HERETO WITHOUT ANY WARRANTY OR REPRESENTATION WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO THE MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE.

This Conveyance is subject to that certain Agreement of Sale and Purchase (the "**P&S Agreement**") dated July 25, 1997 between Grantor and Grantee.

This Conveyance is being executed in several counterparts all of which are identical except that, to facilitate recordation, where a counterpart hereof is being recorded there may be omitted from Exhibit A to such counterpart portions of Exhibit A which describe properties located in jurisdictions other than the jurisdiction in which such counterpart is being recorded. Complete copies hereof including the entire Exhibit A have been retained by Grantor and Grantee. All of such counterparts together shall constitute one and the same instrument.

Grantor and Grantee shall execute and deliver, and shall otherwise cause to be executed and delivered, from time to time, such further instruments, notices, division orders, transfer orders and other documents, and do such other and further acts and things, as may be reasonably necessary to more fully and effectively grant, convey and assign the Properties to Grantee.

IN WITNESS WHEREOF this Conveyance has been executed on September 22, 1997 effective as to runs of oil and deliveries of gas, and for all other purposes, as of 7:00 a.m. local time at the locations of the Subject Properties, respectively, on April 1, 1997.

EQUITABLE RESOURCES ENERGY COMPANY

By: _____

Name: Ronald B. Santi
Title: Attorney-in-Fact

STATE OF MONTANA §
§
COUNTY OF YELLOWSTONE §

The foregoing instrument was acknowledged before me this 22nd day of September, 1997, by Ronald B. Santi, the Attorney-in-Fact of Equitable Resources Energy Company, a West Virginia corporation, on behalf of such corporation.

D. GARY KABEARY
NOTARIAL SEAL
STATE OF MONTANA

_____
Notary Public in and for the State of Montana
Printed Name: D. Gary Kabeary
My Commission Expires: 9-5-2000

EXHIBIT "A"
COMPANY 400 - GREEN RIVER BASIN PACKAGE
SUBLETTE COUNTY, WYOMING

[redacted]SE NO.	DATE	LESSOR	TERM	DESCRIPTION	GROSS/NET	RECORDING	LORI	ORRI
690879L-01	11/01/68	USA #W-15747	HBP	Township 27 North, Range 112 West Section 2: Lots 1 (40.15), 2 (40.03),3 (39.93), 5 (18.45), 6 (16.12), 7 (9.41), S2NE, SENW	284.09/ 284.09		12.5000	5.8750
690881L-01	10/02/66	State of Wyoming #66-15523	PR	Township 27 North, Range 112 West Section 36: All	640.00/ 640.00	Book: 48 Page: 143	12.5000	5.5750
690882L-01	11/01/66	USA #W-2108	HBP	Township 27 North, Range 112 West Section 24: SWNW, NWNW, W2SW Section 25: W2	480.00/ 480.00		12.5000	
[redacted]4L-01	10/01/68	USA #W-15340	HBP	Township 27 North, Range 112 West Section 24: E2	320.00/ 320.00		12.5000	
690927L-01	12/17/81	Yose Cattle Co.	PR	Township 28 North, Range 112 West Section 35: NWSE, including all acretion and reparian rights	40.00/ 40.00	Book: 64 Page: 76	15.0000	6.2500
690943L-01	9/28/92	Fear Ranches	Surface	Township 28 North, Range 111 West Section 5: NWNE, W2SW, NW Section 18: SW Section 19: NW (portion) Township 28 North, Range 112 West Section 25:NE, SW (portion), NW Section 24: SESE				
[redacted]3L-02	10/16/82	Yose Cattle Company	Surface	Township 28 North, Range 112 West Section 35: NWSE, E2SWNE				

EXHIBIT "A"
COMPANY 400 - GREEN RIVER BASIN PACKAGE
SUBLETTE COUNTY, WYOMING

LEASE NO.	DATE	LESSOR	TERM	DESCRIPTION	GROSS/NET	RECORDING	LORI	ORRI
691272L-01	2/01/67	USA #W-3776	HBP	Township 27 North, Range 112 West Section 13: W2W2 Section 25: E2	480.00/ 480.00		12.5000	5.0000
691284L-01	2/07/85	St. of WY #HR 08-1984	Surface	Township 28 North, Range 112 West Section 36: NWNW				
691284L-02	2/19/85	USA #W-87735	Surface	Township 28 North, Range 112 West Section 25: Lots 1, 3, 6, SWNE, SENESW, SESW Section 35: Lot 1, SENE				
691408L-01	11/23/82	USA #W-81104	Surface	Township 28 North, Range 111 West Section 5: SWNE, NESW Section 8: W2W2 Section 17: W2NW Section 18: S2NESENE, SESENE, N2SE Section 19: Lots 2, 3, SENE, SWNE Township 29 North, Range 111 West Section 27: W2SE Section 34: E2W2 Township 28 North, Range 112 West Section 25: Lot 1, SESW Section 35: Lot 1, SENE, SWSE				
700000L-01	3/1/69	USA #W-17208	HBP	Township 28 North, Range 114 West Section 32: Lots 16-20 Surf. to 8950	180.42/ 180.42		12.5000	

EXHIBIT "A"
COMPANY 400 - GREEN RIVER BASIN PACKAGE
SUBLETTE COUNTY, WYOMING

[redacted]ASE NO.	DATE	LESSOR	TERM	DESCRIPTION	GROSS/NET	RECORDING	LORI	ORRI
700002L-01	6/1/65	USA #W-0317229	HBP	Township 28 North, Range 114 West Section 29: Lots 1, 2, 9-12, 19, 20 Section 32: Lots 1-10	676.33/ 676.33		12.5000	
700012L-01	12/1/48	USA #W-16770	PR	Township 30 North, Range 112 West Section 30: Lots 1-4, SE, SWNE Section 31: Lots 1-4, E2W2, NE, N2SE, SWSE	752.88/ 752.88		12.5000	
700014L-01	8/15/56	State of WY-0-20914	PHU	Township 29 North, Range 112 West Section 16: N2NW, SENW, NESW, E2	480.00/ 480.00	Book: 16 Page: 86	12.5000	
700027L-01	3/2/66	State of WY #66-5165	PR	Township 28 North, Range 114 West Section 16: S2, NW, W2NE	560.00/ 560.00		12.5000	
[redacted]52L-01	4/01/66	USA #WYW-322610	HBU	Township 28 North, Range 114 West Section 29: Lots 16, 17, 18	95.28/ 95.28		12.5000	
700153L-01	6/1/65	USA #WYW-317227	HBP	Township 28 North, Range 114 West Section 28: W2NW, SW	240.00/ 240.00		12.5000	
700154L-01	11/1/65	USA #WYW-320213	HBP	Township 28 North, Range 114 West Section 29: Lots 3-8, 13-15	287.84/ 287.84		12.5000	
700155L-01	6/1/65	USA #WYW-317228	HBP	Township 28 North, Range 114 West Section 28: E2NW Section 32: Lots 11 - 15	259.37/ 259.37		12.5000	
700156L-01	6/01/65	USA #WYW-317227-A	HBP	Township 28 North, Range 114 West Section 33: NW, NWNWSW, NESW, E2NWSW, SWNWSW	240.00/ 240.00		12.5000	

658

EXHIBIT "A"
COMPANY 400 - GREEN RIVER BASIN PACKAGE
SUBLETTE COUNTY, WYOMING

LEASE NO.	DATE	LESSOR	TERM	DESCRIPTION	GROSS/NET	RECORDING	LORI	ORRI
700196L-01	12/01/67	USA #WYW-9578	HBP	Township 28 North, Range 114 West Section 3: Lots 7-10, 15-18 Section 4: Lots 5-20 Section 5 Lots 5, 6, 13, 20, S2NE, NWSE Section 9: N2 Section 10: NW	1660.69/ 1660.69		12.5000	
700429L-01	1/1/75	USA #WYW-48517	HBP	Township 29 North, Range 112 West Section 17: SENW, E2SW, SWSE	160.00/ 160.00		12.5000	
700770L-01	12/1/48	USA #27643	HBP	Township 30 North, Range 112 West Section 30: SENW, E2SW	120.00/ 120.00		12.5000	
700776L-01	11/1/66	USA #WYW-2120	PR	Township 28 North, Range 114 West Section 15: SW Section 22: SW	320.00/ 320.00		12.5000	
700779L-01	3/12/63	William J. McGinnis, et ux	HBU	Township 28 North, Range 112 West Section 17:W2SW, NESW	120.00/ 120.00		12.5000	
700780L-01	12/26/56	Anderson McGinnis, et ux	HBU	Township 27 North, Range 112 West Section 3: SWNE (Lot 5)	40.81/ 40.81		12.5000	
700784L-01	1/1/50	USA #WYE-024470	HBU	Township 29 North, Range 112 West Section 28: NW Section 29: NE	320.00/ 320.00		12.5000	
700785L-01	1/1/50	USA #WYE-024528	HBU	Township 28 North, Range 112 West Section 28: W2, SE Section 29: E2NE	560.00/ 560.00		12.5000	

653

EXHIBIT "A"
COMPANY 400 - GREEN RIVER BASIN PACKAGE
SUBLETTE COUNTY, WYOMING

LEASE NO.	DATE	LESSOR	TERM	DESCRIPTION	GROSS/NET	RECORDING	LORI	ORRI
700786L-01	12/26/61	Anderson McGinnis	HBU	Township 27 North, Range 112 West Section 3: Lots 3, 4, S2NW, NWSW Section 4: Lot 1, S2NE	300.00/ 300.00	Book: 16 Page: 336	12.5000	
700788L-01	3/3/69	USA #WYW-036810	Surface	Township 28 North, Range 112 West Section 14: S2, S2N2 Section 22: E2 Section 23: NW Section 27: All				
700790L-01	12/1/48	USA #WYE-024526	HBU	Township 30 North, Range 112 West Section 30: NWNWNE, S2NWNE	30.00/ 30.00		12.5000	
[redacted]700791L-01	2/1/50	USA #WYW-53449	HBU	Township 29 North, Range 112 West Section 22: S2NE, SWNW	120.00/ 120.00		12.5000	
700792L-01	12/1/48	USA #W-055073	HBU	Township 30 North, Range 112 West Section 32: W2NW	80.00/ 80.00		12.5000	
700793L-01	8/1/50	USA #WYW-27644	HBU	Township 30 North, Range 113 West Section 11: SE	160.00/ 160.00		12.5000	
700794L-01	12/25/56	Walter C. Yose	HBU	Township 27 North, Range 112 West Section 3: Lot 2 Township 28 North, Range 112 West Section 34: W2SE	119.72/ 119.72		12.5000	

[redacted]LE DATA\WYOMING\GRB400 SUBLETTE.DOT

655

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That Equitable Resources Energy Company, a West Virginia corporation, (The "Company"), has made, constituted, and appointed and by virtue hereof, does make, constitute, and appoint Ronald B. Santi, so long as he is an employee of the Company, until expressly revoked or limited, or its true and lawful attorney-in-fact; giving and granting to said attorney full power and authority to make, sign, execute, and deliver such agreements, instruments, and other documents in any matter of oil and gas exploration, development or production concerning United Stated Federal, State, Indian, or fee lands or minerals or other rights under governmental authority or otherwise; and to agree upon the terms of, and to execute and deliver, any instrument or agreement, including any application, bid, confidentiality agreement, lease, bond, assignment, relinquishment or other paper related thereto as said attorney shall deem necessary and proper on behalf of the Company;

IN WITNESS WHEREOF, this Power of Attorney has been executed this 1st day of August, 1997.

ATTEST:

Henry E. Reich, Jr.
Assistant Secretary

EQUITABLE RESOURCES ENERGY COMPANY

Donald E. Vandenberg
Senior Vice President & General Manager

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this, the 1st day of August, 1997, before me a Notary Public, the undersigned officer, personally appeared Donald E. Vandenberg, who acknowledged himself to be Senior Vice President & General Manager of Equitable Resources Energy Company, and that he as such Senior Vice President & General Manager, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Company by himself as Senior Vice President & General Manager.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

EMMA GARZA-HINOJOSA
NOTARY PUBLIC
State of Texas
Comm. Exp. 06-12-99

Notary Public

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
W-111564

Lease Effective Date
(Anniversary Date)
6-1-88

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

Angela R. Coleman
P. O. Box 1647
515 Pake Place
Natchez, MS 39120

One half percent ORRI
or
.5%

*If more than one assignee, check here ☒ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
BLM Lease W-111564 T30N-R109W, 6th P.M. Section 11: SW1/4NW1/4 Containing 40 acres plus or minus Sublette Co., Wyoming Mega Millon Royalty, Inc. is assigning a 3% (three percent) Overriding Royalty Interest which will now make a total of 5% (five percent) which is assigned.	100%	zero	100%	Assigning a Three percent or 3% ORRI	2%

264080

RECORDED Oct. 21 1997 11:00 AM
105 9+6 Book 656
1000 Mega Royalty, LLC
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Kuntz

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

[redacted]

656

CORPORATE ACKNOWLEDGMENT

STATE OF Mississippi)
COUNTY OF Adams) ss.

The foregoing instrument was acknowledged before me by Virginia P. D. Chiara,
as President of MEGA MILLION ROYALTY, INC.
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Mississippi)
COUNTY OF Adams) ss.

The foregoing instrument was acknowledged before me by Angela R. Coleman.
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Mississippi)
COUNTY OF Adams) ss.

The foregoing instrument was acknowledged before me by Shirley P. Haymans.
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Mississippi)
COUNTY OF Adams) ss.

The foregoing instrument was acknowledged before me by George S. Haymans III.
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

[redacted] [redacted] [redacted]

Part A (Continuation) ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

TO: Shirley P. Haymans
P. O. Box 848
#9 Raintree South
Natchez, MS 39120

One and one Quarter percent (1.25%)
Overriding Royalty Interest

TO: George S. Haymans, III
P. O. Box 848
#83 Black Bear Road
Natchez, MS 39120

One and one Quarter percent (1.25%)
Overriding Royalty Interest

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, national, or resident alien of the United States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 30th day of September, 19 97

Name of Assignor as shown on current lease Mega Million Royalty, Inc.
Please type or print

Assignor Virginia P. A. Chiara
or BY: Virginia P. (Signature) D. Chiara, Pres.

Attorney-in-fact _____
(Signature)

P. O.Box 275
(Assignor's Address)

Vidalia, LA 71373
(City) (State) (Zip Code)

Executed this 30th day of September, 19 97

Assignee Angela R. Coleman
or Angela R.Coleman (Signature)

Attorney-in-fact Shirley P. Haymans
(Signature)

Shirley P. Haymans

George S. Haymans, III

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

656 A

AMENDED IRREVOCABLE ASSIGNMENT

It is my intent to amend the IRREVOCABLE ASSIGNMENT recorded on August 23, 1997 in Book 105 0+6 Page 126 in Pinedale, Sublette Co., Wyoming to read:

FOR VALUE RECEIVED, the undersigned, Dorothy W. Allen (the "Assignor"), does hereby sell, assign and transfer to Dorothy W. Allen, Robert W. Allen, and Hilary A. Ervin, do-trustees of the Dorothy W. Allen Family Revocable trust, established 10/10/96 (the Assignee"), whose address is 314 Acorn Court, Vacaville, CA 95688, all of the Assignor's right, title and interest in and to all interests represented by the following description:

USA Lease w-0125388
T28N-R113W
Sec. 23: NENW, NWNE, Lots 1-3, NENE
Sec. 24: Lots 3,4

The above referenced interests are administered by:

Enron Oil & Gas Company
P.o. Box 4362
Houston, TX 77210-4362
(713) 853-6161

FURTHER, it is the intent of all the parties concerned that all interest in all leases and properties in Sublette Co., Wyoming be included in this transfer.

264082 Executed this Oct. 3, 1997 at Wickenburg, AZ.
(date) (city) (state)

RECORDED Oct. 21, 1997 11:10 a.m.
BOOK 105 0+6 PAGE 656
8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Buxton

Dorothy W. Allen
Dorothy W. Allen, Assignor

ACKNOWLEDGMENT

State of Arizona

County of Maricopa

On Oct. 3, 1997, before me, Patricia A. Phelps, a notary public in and for the State of Arizona, personally appeared Dorothy W. Allen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument, the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Signature Patricia A. Phelps

(seal) PATRICIA A PHELPS NOTARY PUBLIC MARICOPA COUNTY, ARIZONA

My commission expires: My Commission Expires Jan. 10, 2000

659

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

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 (42 U.S.C. 6508)

Lease Serial No.
W-111564

Lease Effective Date
(Anniversary Date)
6-1-88

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

Angela R. Coleman
P. O. Box 1647
515 Pake Place
Natchez, MS 39120

One half percent ORRI
or
.5%

*If more than one assignee, check here[X] and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: *(Check one)* [X] Oil and Gas Lease, or [ ] Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* [ ] Record Title, [X] 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 or agreements other than this form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
BLM Lease W-111564 T30N-R109W, 6th P.M. Section 11: SW1/4NW1/4 Containing 40 acres plus or minus Sublette Co., Wyoming Mega Millon Royalty, Inc. is assigning a 3% (three percent) Overriding Royalty Interest which will now make a total of 5% (five percent) which is assigned.	100%	zero	100%	Assigning a Three percent or 3% ORRI	2%

264081

RECORDED Oct. 21, 1997 11:00 A
IN BOOK 105 PAGE 459
FEES $10.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING By Cathy Booton

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

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 _____

[ ] Assignment approved for land description indicated on reverse of this form.

By _____ _____
(Authorized Officer) (Title) (Date)

[redacted] [redacted] [redacted]

Part A (Continued): ADDITIONAL SPACE for Names and addresses of additional assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

TO: Shirley P. Haymans
P. O. Box 848
#9 Raintree South
Natchez, MS 39120

One and one Quarter percent (1.25%)
Overriding Royalty Interest

TO: George S. Haymans, III
P. O. Box 848
#83 Black Bear Road
Natchez, MS 39120

One and one Quarter percent (1.25%)
Overriding Royalty Interest

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, national, or resident alien of the United States or association of such citizens, 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 each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, 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; (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; (e) Assignee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (f) Assignee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Assignee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal assignments, an overriding royalty may not be less than one-fourth (1/4) 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 30th day of September, 19 97

Name of Assignor as shown on current lease Mega Million Royalty, Inc.
Please type or print

Assignor Virginia P. H. Chiara
or BY: Virginia P. (Signature) D. Chiara, Pres.

Attorney-in-fact _____
(Signature)

P. O.Box 275
(Assignor's Address)

Vidalia, LA 71373
(City) (State) (Zip Code)

Executed this 30th day of September, 19 97

Assignee Angela R. Coleman
or Angela R.Coleman (Signature)

Attorney-in-fact _____
(Signature)

Shirley P. Haymans

George S. Haymans, III

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

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: 1992-774-017/67022

(060)

CORPORATE ACKNOWLEDGMENT

STATE OF Mississippi)
) ss.
COUNTY OF Adams)

The foregoing instrument was acknowledged before me by Virginia P. D. Chiara,
as President of MEGA MILLION ROYALTY, INC.
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Mississippi)
) ss.
COUNTY OF Adams)

The foregoing instrument was acknowledged before me by Angela R. Coleman
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Mississippi)
) ss.
COUNTY OF Adams)

The foregoing instrument was acknowledged before me by Shirley P. Haymans
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Mississippi)
) ss.
COUNTY OF Adams)

The foregoing instrument was acknowledged before me by George S. Haymans III
This 30 day of September, 1997.

WITNESS my hand and official seal.

My Commission Expires:
4/12/2000

Notary Public

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-15523 **Assignment Approval Date -** _____

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 25 percent Leasehold
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 27 North, Range 112 West
Section 36: E2
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) **ASSIGNEE, with name and address at:** Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

25 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264100

10:00 AM
RECORDED Oct. 22 1997 M
IN BOOK 0501G PAGE 658
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

658A

659A

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Brutsea	Attest - Lisa A. Machesney Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-15523 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 25 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 27 North, Range 112 West
Section 36: W2
From surface to 9,663'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

25 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264101

RECORDED Oct. 22 1997 M 10:00a
IN BOOK 1050+6 PAGE 160
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sacton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

660A

661 A

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutson	Attest - Lisa A. Machesney Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-15523 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 25 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 27 North, Range 112 West
Section 36: W2
Below 9,663'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) **ASSIGNEE, with name and address at:** Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

25 **percent interest in the total leasehold, or as described in particular above.**

2) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

5) **ASSIGNEE, with name and address at:**

264102

RECORDED Oct. 22 1997 10:00 M
IN BOOK D506 PAGE 1642
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sutton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 19 97.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Burton	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-5165 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.25 percent Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 28 North, Range 114 West
Section 16: W2NE, NW
Surface to 8607'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: ----------

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.25 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264103

RECORDED Oct. 02 1997 10:00 M
IN BOOK 10506 PAGE 1004
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Burton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelly Knutsen	Attest - Lisa A. Machesney
	Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-5165 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.25 percent Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 28 North, Range 114 West
Section 16: W2NE, NW
8607' to 100' below the Fogarty Creek #2-16 @ 9,802'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.25 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264104

RECORDED Oct. 22 1997 10:00 M
IN BOOK 105015 PAGE 6466
FEES $ 6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 19 97.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutson	Attest - Lisa A. Machesney
Assignee (2) -	Assignee (3) - Lisa A. Machesney, Secretary
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-5165 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.25 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 28 North, Range 114 West
Section 16: N2SW
From surface to 8607'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.25 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264105

RECORDED Oct. 02 1997 10:00 A M
IN BOOK 105 Misc PAGE 1068
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Jack Saxton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutsen	Attest - Lisa A. Machesney Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal deacription of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-5165 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.25 percent Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:
Township 28 North, Range 114 West
Section 16: N2SW
8607' to 9630'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.25 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

10.00 A

5) ASSIGNEE, with name and address at:

264106

RECORDED Oct. 22, 1997 M
IN BOOK 105 Q+G PAGE 670
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

Page 1 *of* 2 *of Lease #* 66-5165 *assignment dated* September 22, 1997*

*But Effective 4/1/97

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutson	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-1
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 66-5165 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 4.5 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 28 North, Range 114 West
Section 16: S2SW, SE
From surface to 9,630'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

4.5 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264107

RECORDED Oct. 02 1997 10:00A M
IN BOOK 105 OF 6 PAGE 672
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Zaskin

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1992.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley K. Nutsa	Attest - Lisa A. Macheseney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 3.75075 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: SWNE
From surface to base of Mesaverde Fm. at 2,300'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

3.75075 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264108

RECORDED Oct 22 1997 10:00A
IN BOOK 105 016 PAGE 674
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 19 97.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fac	Title - J. L. Batt, Vice President
Attest - Shelley Bratton	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 Assignment Approval Date -

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.8125 percent Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: SWNE
From 2,300' to 3,590'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.8125 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264109

RECORDED Oct. 02 1997 10:00 A M
IN BOOK 105 Dt6 PAGE 676
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Boden

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*

*But Effective 4/1/97

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Linsten	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.8125 percent Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:
Township 29 North, Range 112 West
Section 16: SWNE
From 3,590' to 3,635'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.8125 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264110

RECORDED Oct. 22 1997 10:20 AM
IN BOOK 105 Oth PAGE 1078
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathi Barton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 19 97.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Bruton	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 7.49925 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: SE
From surface to base of Mesaverde Fm. at 2,300'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

7.49925 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264111

RECORDED Oct. 02 1997 12:00A M
IN BOOK 0506 PAGE 680
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Boynton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*

*But Effective 4/1/97

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutson	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

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5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-90)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 5.625 percent Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: SE
From 2,300' to 4,600'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

5.625 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264112

10:00 a
RECORDED Oct. 22 1997 M
IN BOOK 125 Dt6 PAGE 682
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Bruton	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

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2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

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5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 3.75075 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: E2NE, NWNE
From surface to base of Mesaverde Fm. at 2,300'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) **ASSIGNEE, with name and address at:** Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

3.75075 **percent interest in the total leasehold, or as described in particular above.**

2) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

3) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

4) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

5) **ASSIGNEE, with name and address at:**

264113

RECORDED Oct. 22 1997 10:00A
IN BOOK 105046 PAGE 1084
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*

*But Effective 4/1/97

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 19 97.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Sherry Knutson	Attest - Lisa A. Macheseney
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

Lisa A. Macheseney, Secretary

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -** _____

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.8125 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: E2NE, NWNE
From 2,300' to 3,590'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.8125 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264114

RECORDED Oct. 22 1997 10:00 A M
IN BOOK 105046 PAGE 1086
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Ruth Saxton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*

*But Effective 4/1/97

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Kelley Bruton	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

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5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.8125 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: E2NE, NWNE
From 3,590' to 3,635'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.8125 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264115

RECORDED Oct. 22 1997 10:00A M
IN BOOK 105016 PAGE 688
FEES $ 8.00
COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Cathy Gordon

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutson	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

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9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -** _____

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.8125 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: E2NE, NWNE
From 3,635' to 4,100'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.8125 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264116

RECORDED Oct. 22 1997 10:00A. M
IN BOOK 105 OR6 PAGE 690
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING
By Cathy Beaton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

ASSIGNOR certifies by signature on reverse, that ASSIGNOR is the owner of the interest above herein transferred, and ASSIGNEE(S) certify(ies) by signing on the reverse that this assignment constitutes a binding acceptance of all the terms, conditions, stipulations, restrictions and statutes governing the lease described above, and of the Rules of the Board, at Chapter 6, Leasing of Subsurface Resources.

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Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*

*But Effective 4/1/97

690

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutson	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

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[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 2.8125 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: E2NE, NWNE
From 4,100' to 4,600'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) **ASSIGNEE, with name and address at:** Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

2.8125 **percent interest in the total leasehold, or as described in particular above.**

2) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

3) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

4) **ASSIGNEE, with name and address at:**

percent interest in the total leasehold, or as described in particular above.

5) **ASSIGNEE, with name and address at:**

264117
RECORDED: Oct. 22 1997 10:00A M
IN BOOK 105 016 PAGE 692
FEES $8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

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This form may be duplicated.
If space is needed for additional assignors or assignees submit copies of this form only.

Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*
*But Effective 4/1/97

692

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 1997.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Knutsen	Attest - Lisa A. Machesney Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

ASSIGNMENT REQUIREMENTS

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[redacted] [redacted] [redacted]

Effective 11-86
Form ML-2
(Revised 4-96)
Filing Fee - $25.00 - Non-Refundable

STATE OF WYOMING
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST ASSIGNMENT

Return To -
State Land & Farm Loan Office
122 West 25th Street
Herschler Building, 3 West
Cheyenne, WY 82002-0600

Wyoming Oil & Gas Lease Serial Number 0-20914 **Assignment Approval Date -**

ASSIGNOR, with name and address at, Equitable Resources Energy Company
1601 Lewis Avenue
Billings, MT 59102

being the owner of 22.5 **percent** Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 29 North, Range 112 West
Section 16: NESW, E2NW, NWNW
From surface to 4,600'
Sublette County, Wyoming

For good and valuable consideration, hereby assigns to: **********

1) ASSIGNEE, with name and address at: Cabot Oil & Gas Corporation
15375 Memorial Drive
Houston, TX 77079

22.5 **percent interest in the total leasehold, or as described in particular above.**

2) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

3) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

4) ASSIGNEE, with name and address at:

percent interest in the total leasehold, or as described in particular above.

5) ASSIGNEE, with name and address at:

264118

RECORDED Oct. 02 1996 10:00A M
IN BOOK 105 Pt6 PAGE 1094
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Burton

percent interest in the total leasehold, or as described in particular above.

and reserving unto ASSIGNOR, 0

This assignment is subject to any existing overriding royalties previously reserved. Reservations of overriding interests must be approved by the Director, and any such approval is subject to the condition that overriding royalties may be cancelled by the Board of Land Commissioners if it finds that such overriding royalties create a burden on the lease which prevents or unreasonably interferes with its development.

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Page 1 *of* 2 *of Lease #* 0-20914 *assignment dated* September 22, 1997*

*But Effective 4/1/97

694

SIGNED AS TO TRANSFER AND ACCEPTANCE this 1st day of October 19 97.

ASSIGNOR - Equitable Resources Energy Company	Assignee (1) - Cabot Oil & Gas Corporation
By - Ronald B. Santi	By - J. L. Batt
Title - Attorney-In-Fact	Title - J. L. Batt, Vice President
Attest - Shelley Britton	Attest - Lisa A. Machesney, Secretary
Assignee (2) -	Assignee (3) -
By -	By -
Title -	Title -
Attest -	Attest -
Assignee (4) -	Assignee (5) -
By -	By -
Title -	Title -
Attest -	Attest -

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Note: Assignments are not valid until approved by the Director, State Land and Farm Loan Office as per State Oil & Gas Lease Terms, and approval is solely for administrative purposes and should not be interpreted as warranty that any party to this assignment holds legal or equitable interest in this lease. 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 any assignment of State Oil & Gas Lease leasehold interest, undivided or divided as to separate tracts, formations, zones or deposits, and for overriding royalty interest.

2) Assignments of less than a 100% leasehold interest, 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, Board Rules or this assignment. (All lessees are ultimately responsible for the 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.)

3) A signed original and one copy of each assignment must be filed with the Wyoming State Land and Farm Loan Office.

4) Each assignment, if approved, is recognized by the State as effective as of the date of approval by the Director. Adequate bond must be furnished covering any and all productive zones prior to approval of any assignment of interest in an operating State oil and gas lease, whether wellbores exist on the leased lands or not, and in no case can drilling operations, including to prospectively productive zones under operating leases, begin without a bond first being in place.

5) If there is more than one party in interest to this assignment, then all such parties in interest must sign the document before assignment approval will be given.

6) The appropriate legal description of the conveyed lands interests must be given.

7) Assignments creating a separate (reissue) lease subject to the rules and regulations governing all State of Wyoming Oil & Gas Lease 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. (See Board Rules, Chapter 6, Section A.)

8) Corporations, limited liability companies, and limited partnerships must be qualified with the Wyoming Secretary of State's Office, and general partnership papers are required to be filed with the State Land and Farm Loan Office prior to, and as a condition of Board approval of any assignment.

9) Assignments will not be considered for approval where assignor or any assignee currently has a delinquent (late) royalty or rental payment obligation(s) for any State subsurface resource lease.

[redacted] [redacted] [redacted]

Producers 88 (DOP) 2/94

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 26th day of March, 19 97, by and between

Karen Heeren and Lynn Heeren, wife and husband
105 East Larson
Rawlins, Wyoming 83600

hereinafter called Lessor (whether one or more) and DOLAR OIL PROPERTIES whose post office address is 9035 South 700 East, Sandy, Utah 84070-2418, hereinafter called Lessee:

WITNESSETH: that Lessor, for and in consideration of ten or more DOLLARS ($10.00+) in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods drilling, mining operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate), gas producible from coal-bearing formations, and any substance, whether similar or dissimilar, produced in a gaseous state, all associated hydrocarbons produced in a liquid or gaseous form, all sulfur, and for injecting water and other fluids, gas, air, and other gaseous substances into subsurface strata, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or co-jointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

Township 30 North, Range 114 West
Section 12: SW¼NE¼, N½SE¼, NE¼SW¼

RECORDED Oct. 22 1997 4:35p M
IN BOOK 105 016 PAGE 696
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Boston

264135

together with all strips, parcels of land and riparian rights adjoining or continuous to the above described tract of land, and owned or claimed by lessor and containing 160.00 acres, more or less.

1. It is agreed that lease shall remain in force for a term of Five (5) years from this date and as long hereafter 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 filling for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. Consideration paid herein shall constitute a bonus consideration payment of one fifth the total amount paid, and four annual rental payments equal to the bonus consideration paid.

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 (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) of the gross proceeds each year, for the gas from each well where gas only is found, while the same is being used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds from the mouth of the well, payable monthly.

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 from the mouth of the well, payable monthly.

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 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 houses, barns, or other facilities, including Lessors water facilities 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

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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 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 Karen Heeren
Karen Heeren

SS# 520-46-7156

X Lynn Heeren
Lynn ~~Larry~~ Heeren

SS# 478 40 3048

STATE OF Wyoming)
) ss.
COUNTY OF Carbon)

INDIVIDUAL NOTARY

BEFORE ME, the undersigned authority, on this day personally appeared Karen Heeren and ~~Larry~~ Lynn Heeren, Wife and husband, known to me to be the persons whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 6 day of October, 1997.

My commission expires:

Margery Schmidt
Notary Public

MARGERY SCHMIDT - NOTARY PUBLIC
COUNTY OF CARBON STATE OF WYOMING
MY COMMISSION EXPIRES DECEMBER 6, 1999

STATE OF _____)
) ss.
COUNTY OF _____)

CORPORATE NOTARY

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument as _____ of _____, 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 _____ day of _____, 199_____.

My commission expires:

_____
Notary Public

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Producers 88 (DOP) 2/94

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 26th day of September, 1997, by and between

Cherie Przymus and Mike Przymus, wife and husband
4615 Bony Brey Road
Cheyenne, Wyoming 82001

264136

RECORDED Oct. 22 1997 M 1:26p
IN BOOK 105 016 PAGE 698
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

hereinafter called Lessor (whether one or more) and DOLAR OIL PROPERTIES, L.C., whose post office address is 935 East South Union Avenue, Suite D-202, Salt Lake City, Utah 84047, hereinafter called Lessee:

WITNESSETH: that Lessor, for and in consideration of ten or more DOLLARS ($10.00+,)in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods drilling, mining operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, carbon dioxide, helium and associated by products, gas-condensate (distillate), gas producible from coal-bearing formations, and any substance, whether similar or dissimilar, produced in a gaseous state, all associated hydrocarbons produced in a liquid or gaseous form, all sulfur, and for injecting water and other fluids, gas, air, and other gaseous substances into subsurface strata, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or co-jointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said being situated in the County of Sublette, State of Wyoming, and being described as follows, to-wit:

Township 30 North, Range 114 West
Section 12: SW¼NE¼, N½SE¼, NE¼SW¼

* Upon the completion of drilling and producing activities, surface shall be reclaimed to its nearest original condition as is applicable.

together with all strips, parcels of land and riparian rights adjoining or continuous to the above described tract of land, and owned or claimed by lessor and containing 160.00 acres, more or less.

1. It is agreed that lease shall remain in force for a term of five years from this date and as long hereafter 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 filling for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. Consideration paid herein shall constitute a bonus consideration payment of one fifth the total amount paid, and four annual rental payments equal to the bonus consideration paid.

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 (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) 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 or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8), payable monthly at the prevailing market rate for gas.

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 prevailing market rate.

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 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 houses, barns, or other facilities, including Lessors water facilities 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 operation and, particularly, all 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.

Cherie Przymus

Cherie Przymus

SS#: 528-06-4861

Mike Przymus

Mike Przymus

SS#: 520-64-7198

STATE OF Wyoming)
) ss.
COUNTY OF Laramie)

INDIVIDUAL ACKNOWLEDGMENT

LISA SEVERS - NOTARY PUBLIC
COUNTY OF ALBANY STATE OF WYOMING
MY COMMISSION EXPIRES MAY 22, 2000

BEFORE ME, the undersigned authority, on this day personally appeared Cherie Przymus and Mike Przymus, wife & husband known to me to be the person s whose name are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 8th day of October, 1997.

My commission expires:

May 22, 2000

Lisa Severs
Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

CORPORATE NOTARY

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument as _____ of _____, 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 _____ day of _____, 199_____.

My commission expires:

_____
Notary Public

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ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That **PRIMA OIL & GAS COMPANY**, whose address is 1801 Broadway, Suite 500, Denver, CO 80202, 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 **PLATTE VALLEY MANAGEMENT COMPANY**, whose address is 303 16th Street, Suite 016-608, Denver, CO 80202, hereinafter referred to as **"ASSIGNEE"**, an overriding royalty interest in the amount of Five Percent (5%) of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases (the "Subject Leases") covering the lands ("the Subject Lands") described on Exhibit "A" attached hereto and by this reference made a part hereof.

It is recognized that, in connection with the production of oil and gas, sometimes sulphur and other minerals are produced in connection and with and as a by-product thereof; and as such other minerals are produced as a by-product of the production of oil, gas and other liquids or gaseous hydrocarbons, then ASSIGNEE's overriding royalty interest should be paid on such minerals so produced.

Said overriding royalty interest herein assigned to ASSIGNEE shall be free and clear of any and all cost and expense of the development and operations thereof, excepting taxes that may be levied and assessed against said overriding royalty interest or production therefrom. ASSIGNEE shall not be required to pay and ASSIGNEE's overriding royalty interest shall not be reduced on account of or charged with any costs of making the products produced hereunder ready and available for market, including, operating, storing, treating or processing oil, gas or other gaseous or liquid hydrocarbons (except compression or transportation of gas from the wellhead to the point of sale when compressed or transported by a third party with which ASSIGNOR, its successors or assigns have no affiliation) nor shall ASSIGNEE's overriding royalty interest bear any costs of any structure or facility used to produce market, treat or transport any substance on which ASSIGNEE's overriding royalty interest is due.

If the Subject Leases cover less than the full and entire undivided mineral estate in the Subject Lands, or ASSIGNOR owns less than the entire leasehold estate, under the Subject Lands, then the overriding royalty interest herein conveyed shall be reduced proportionately.

This overriding royalty interest and all other terms and conditions of this assignment shall apply to any and all extensions, renewals and substitute leases obtained by ASSIGNEE, its successors or assigns within a period of one (1) year following the expiration of the leases described on Exhibit "A".

This Assignment is expressly made subject to the terms and conditions of the Subject Leases.

IT IS UNDERSTOOD AND AGREED that this Assignment of Overriding Royalty Interest is made without warranty of title, either express or implied, except as to all parties claiming by, through and under ASSIGNOR. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the ASSIGNOR has caused this Assignment to be executed this 21st day of August, 1997, to be effective July 15, 1997.

264137

8:50

RECORDED Oct. 03 1997 M
IN BOOK 105 OIG PAGE 700
FEES $ 44.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Buxton

PRIMA OIL & GAS COMPANY

G. Walter Lunsford, Attorney-in-Fact

STATE OF COLORADO)
)§ ***ACKNOWLEDGMENT***
COUNTY OF DENVER)

On this the 21st day of August, 1997, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared G. Walter Lunsford, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as Attorney-in-Fact of Prima Oil & Gas Corporation. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

August 31, 2000

KAREN A. ARMBRUST
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 08/31/2000

NOTARY PUBLIC:

Karen A. Armbrust

Karen A. Armbrust
1801 Broadway, Suite 500, Denver, CO 80202

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest from Prima Oil & Gas Company to Platte Valley Management Company dated August 21, 1997, to be effective July 15, 1997.

SUBJECT LEASES:

Prima Lease No.	*Lessor*	*Lessee*	*Lease Date*	*Legal Description/Sublette County, Wyoming*
246-00001-000	WYW-136343	Mountain States Fuels Inc.	05/01/95	Township 34 North, Range 112 West, 6th P.M. Section 32: All Section 35: All
246-00002-000	WYW-136345	Mountain States Fuels Inc.	05/01/95	Township 35 North, Range 112 West, 6th P.M. Section 4: Lots 1-4, S/2N/2, S/2 Section 5: Lots 1-4, S/2N/2, S/2 Section 6: Lot 1, 2 6, S/2NE/4, N/2SE/4, SE/4SE/4 Section 8: N/2NE/4, SE/4NE/4 Section 9: N/2, NE/4SE/4
246-00003-000	WYW-136346	Mountain States Fuels Inc.	05/01/95	Township 35 North, Range 112 West, 6th P.M. Section 7: Lot 4, SE/4SW/4, S/2SE/4 Section 18: Lots 1-4, E/2, E/2W/2 Section 19: Lots 1-4, E/2, E/2W/2 Section 30: Lots 1-4, E/2, E/2W/2 Section 31: Lot 1, 2, N/2NE/4, SW/4NE/4, E/2NW/4
246-00004-000	WYW-136347	Mountain States Fuels Inc.	05/01/95	Township 35 North, Range 112 West, 6th P.M. Section 8: S/2SW/4, SW/4SE/4 Section 17: All Section 20: E/2, NW/4NW/4 Section 21: All

788

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest from Prima Oil & Gas Company to Platte Valley Management Company dated August 21, 1997, to be effective July 15, 1997.

SUBJECT LEASES:

Prima Lease No.	*Lessor*	*Lessee*	*Lease Date*	*Legal Description/Sublette County, Wyoming*
246-00005-000	WYW-136348	Mountain States Fuels Inc.	05/01/95	Township 35 North, Range 112 West, 6th P.M. Section 13: SE/4SW/4, SW/4SE/4 Section 22: S/2N/2, S/2 Section 23: NE/4NE/4, S/2N/2, S/2 Section 24: NW/4, NW/4SW/4, SE/4
246-00006-000	WYW-136349	Mountain States Fuels Inc.	05/01/95	Township 35 North, Range 112 West, 6th P.M. Section 25: NE/4, SW/4, W/2SE/4 Section 26: All Section 27: All Section 34: N/2N/2 Section 35: N/2, E/2SW/4, SE/4
246-00007-000	WYW-136350	Mountain States Fuels Inc.	05/01/95	Township 35 North, Range 112 West, 6th P.M. Section 28: S/2 Section 29: S/2 Section 32: E/2, E/2W/2, NW/4NW/4 Section 33: NE/4, NE/4NW/4, S/2NW/4, S/2
246-00008-000	WYW-136358	Mountain States Fuels Inc.	05/01/95	Township 36 North, Range 113 West, 6th P.M. Section 2: Lots 1-4, S/2N/2, S/2 Section 10: S/2 Section 11: All
246-00009-000	WYW-136359	Mountain States Fuels Inc.	5/01/95	Township 36 North, Range 113 West, 6th P.M. Section 14: E/2 Section 23: All Section 26: All

703

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest from Prima Oil & Gas Company to Platte Valley Management Company dated August 21, 1997, to be effective July 15, 1997.

SUBJECT LEASES:

Prima Lease No.	*Lessor*	*Lessee*	*Lease Date*	*Legal Description/Sublette County, Wyoming*
246-00010-000	WYW-136834	Mountain States Fuels Inc.	07/01/95	Township 33 North, Range 112 West, 6th P.M. Section 8: E/2 Section 10: N/2, N/2SW/4, SE/4SW/4, SE/4 Section 22: NW/4
246-00011-000	WYW-136835	Mountain States Fuels Inc.	07/01/95	Township 33 North, Range 112 West, 6th P.M. Section 18: NE/4SW/4, SW/4SE/4 Section 19: Lots 1-4, S/2NE/4, E/2W/2, SE/4 Section 20: SW/4NW/4, N/2SW/4, NW/4SE/4 Section 30: Lot 1, NE/4NW/4 Township 33 North, Range 113 West, 6th P.M. Section 12: E/2, N/2SW/4, SE/4SW/4 Section 13: NE/4NE/4, SW/4NW/4, SW/4, W/2SE/4, SE/4SE/4 Section 24: All Section 25: N/2NE/4, E/2NW/4
246-00012-000	WYW-136836	Mountain States Fuels Inc.	07/01/95	Township 36 North, Range 112 West, 6th P.M. Section 1: Lot 3, 4, S/2NW/4, W/2SW/4, SE/4 Section 2: Lot 1, 2, SE/4NE/4, S/2 Section 3: E/2SE/4 Section 11: W/2E/2, W/2 Section 13: E/2 Section 14: W/2NE/4, W/2, SE/4 Section 24: NW/4SW/4

704

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest from Prima Oil & Gas Company to Platte Valley Management Company dated August 21, 1997, to be effective July 15, 1997.

SUBJECT LEASES:

Prima Lease No.	*Lessor*	*Lessee*	*Lease Date*	*Legal Description/Sublette County, Wyoming*
246-00013-000	WYW-136838	Mountain States Fuels Inc.	07/01/95	Township 36 North, Range 112 West, 6th P.M. Section 7: Lots 1-4, E/2, E/2W/2 Section 8: N/2 Section 17: All Section 18: Lots 1-4, SE/4NE/4, E/2W/2, SE/4 Section 21: N/2N/2
246-00014-000	WYW-136839	Mountain States Fuels Inc.	07/01/95	Township 36 North, Range 112 West, 6th P.M. Section 10: W/2, SE/4 Section 15: NE/4, E/2SE/4 Section 23: N/2NW/4
246-00015-000	WYW-136840	Mountain States Fuels Inc.	07/01/95	Township 36 North, Range 112 West, 6th P.M. Section 15: NW/4 Section 20: E/2SW/4, SE/4 Section 29: N/2NE/4, NE/4NW/4
246-00016-000	WYW-136850	Mountain States Fuels Inc.	07/01/95	Township 36 North, Range 113 West, 6th P.M. Section 1: Lots 1-4, S/2N/2, S/2 Section 12: E/2, E/2W/2
246-00017-000	WYW-136851	Mountain States Fuels Inc.	07/01/95	Township 36 North, Range 113 West, 6th P.M. Section 13: E/2 Section 14: W/2 Section 24: W/2

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That **PRIMA OIL & GAS COMPANY**, whose address is 1801 Broadway, Suite 500, Denver, CO 80202, 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 **PLATTE VALLEY MANAGEMENT COMPANY**, whose address is 303 16th Street, Suite 016-608, Denver, CO 80202, hereinafter referred to as "**ASSIGNEE**", an overriding royalty interest in the amount of Four and One-Half Percent (4.5%) of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas lease (the "Subject Lease") covering the lands ("the Subject Lands") described on Exhibit "A" attached hereto and by this reference made a part hereof.

It is recognized that, in connection with the production of oil and gas, sometimes sulphur and other minerals are produced in connection and with and as a by-product thereof; and as such other minerals are produced as a by-product of the production of oil, gas and other liquids or gaseous hydrocarbons, then ASSIGNEE's overriding royalty interest should be paid on such minerals so produced.

Said overriding royalty interest herein assigned to ASSIGNEE shall be free and clear of any and all cost and expense of the development and operations thereof, excepting taxes that may be levied and assessed against said overriding royalty interest or production therefrom. ASSIGNEE shall not be required to pay and ASSIGNEE's overriding royalty interest shall not be reduced on account of or charged with any costs of making the products produced hereunder ready and available for market, including, operating, storing, treating or processing oil, gas or other gaseous or liquid hydrocarbons (except compression or transportation of gas from the wellhead to the point of sale when compressed or transported by a third party with which ASSIGNOR, its successors or assigns have no affiliation) nor shall ASSIGNEE's overriding royalty interest bear any costs of any structure or facility used to produce market, treat or transport any substance on which ASSIGNEE's overriding royalty interest is due.

If the Subject Lease covers less than the full and entire undivided mineral estate in the Subject Lands, or ASSIGNOR owns less than the entire leasehold estate, under the Subject Lands, then the overriding royalty interest herein conveyed shall be reduced proportionately.

This overriding royalty interest and all other terms and conditions of this assignment shall apply to any and all extensions, renewals and substitute leases obtained by ASSIGNEE, its successors or assigns within a period of one (1) year following the expiration of the lease described on Exhibit "A".

This Assignment is expressly made subject to the terms and conditions of the Subject Lease.

IT IS UNDERSTOOD AND AGREED that this Assignment of Overriding Royalty Interest is made without warranty of title, either express or implied, except as to all parties claiming by, through and under ASSIGNOR. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the ASSIGNOR has caused this Assignment to be executed this 21st day of August, 1997, to be effective July 15, 1997.

264138

RECORDED Oct. 23, 1997 8:50 M
IN BOOK 10506 PAGE 706
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Sweton

PRIMA OIL & GAS COMPANY

G. Walter Lunsford, Attorney-in-Fact

STATE OF COLORADO)
)§ **ACKNOWLEDGMENT**
COUNTY OF DENVER)

On this the 21st day of August, 1997, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared G. Walter Luneford, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as Attorney-In-Fact of Prima Oil & Gas Corporation. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

August 31, 2000

NOTARY PUBLIC:

Karen A. Armbrust

Karen A. Armbrust
1801 Broadway, Suite 500, Denver, CO 80202

KAREN A. ARMBRUST
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 08/31/2000

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest from Prima Oil & Gas Company to Platte Valley Management Company dated August 21, 1997, to be effective July 15, 1997.

SUBJECT LEASES:

Prima Lease No.	*Lessor*	*Lessee*	*Lease Date*	*Legal Description/Sublette County, Wyoming*
246-00018-000	W.L. Bain, aka William L. Bain, a single man, as Trustee of the William L. Bain February 1, 1994 Family Trust	High Plains Associates Inc.	11/16/94	Township 35 North, Range 112 West, 6th P.M. Section 7: SE/4NE/4 Section 8: SW/4NE/4, N/2S/2, SE/4SE/4 Section 9: W/2SW/4, SE/4SW/4

708

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That **PRIMA OIL & GAS COMPANY**, whose address is 1801 Broadway, Suite 500, Denver, CO 80202, 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 **PLATTE VALLEY MANAGEMENT COMPANY**, whose address is 303 16th Street, Suite 016-608, Denver, CO 80202, hereinafter referred to as **"ASSIGNEE"**, an overriding royalty interest in the amount of One and Twenty-Five One Hundredths Percent (1.25%) of all oil, gas, casinghead gas, and other hydrocarbon substances produced, saved and marketed from the oil and gas leases (the "Subject Leases") covering the lands ("the Subject Lands") described on Exhibit "A" attached hereto and by this reference made a part hereof.

It is recognized that, in connection with the production of oil and gas, sometimes sulphur and other minerals are produced in connection and with and as a by-product thereof; and as such other minerals are produced as a by-product of the production of oil, gas and other liquids or gaseous hydrocarbons, then ASSIGNEE's overriding royalty interest should be paid on such minerals so produced.

Said overriding royalty interest herein assigned to ASSIGNEE shall be free and clear of any and all cost and expense of the development and operations thereof, excepting taxes that may be levied and assessed against said overriding royalty interest or production therefrom. ASSIGNEE shall not be required to pay and ASSIGNEE's overriding royalty interest shall not be reduced on account of or charged with any costs of making the products produced hereunder ready and available for market, including, operating, storing, treating or processing oil, gas or other gaseous or liquid hydrocarbons (except compression or transportation of gas from the wellhead to the point of sale when compressed or transported by a third party with which ASSIGNOR, its successors or assigns have no affiliation) nor shall ASSIGNEE's overriding royalty interest bear any costs of any structure or facility used to produce market, treat or transport any substance on which ASSIGNEE's overriding royalty interest is due.

If the Subject Leases cover less than the full and entire undivided mineral estate in the Subject Lands, or ASSIGNOR owns less than the entire leasehold estate, under the Subject Lands, then the overriding royalty interest herein conveyed shall be reduced proportionately.

This overriding royalty interest and all other terms and conditions of this assignment shall apply to any and all extensions, renewals and substitute leases obtained by ASSIGNEE, its successors or assigns within a period of one (1) year following the expiration of the leases described on Exhibit "A".

This Assignment is expressly made subject to the terms and conditions of the Subject Leases.

IT IS UNDERSTOOD AND AGREED that this Assignment of Overriding Royalty Interest is made without warranty of title, either express or implied, except as to all parties claiming by, through and under ASSIGNOR. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the ASSIGNOR has caused this Assignment to be executed this 21st day of August, 1997, to be effective July 15, 1997.

264139

RECORDED Oct. 03 1997 8:50 M
IN BOOK 105016 PAGE 709
FEES $10.00 COUNTY CLERK,
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Backen

PRIMA OIL & GAS COMPANY

G. Walter Lunsford, Attorney-in-Fact

STATE OF COLORADO)
)§ ***ACKNOWLEDGMENT***
COUNTY OF DENVER)

On this the 21st day of August, 1997, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared G. Walter Lunsford, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as Attorney-in-Fact of Prima Oil & Gas Corporation. Given under my hand and seal the day and year above written.

MY COMMISSION EXPIRES:

August 31, 2000

NOTARY PUBLIC:

Karen A. Armbrust

Karen A. Armbrust
1801 Broadway, Suite 500, Denver, CO 80202

KAREN A. ARMBRUST
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 08/31/2000

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty Interest from Prima Oil & Gas Company to Platte Valley Management Company dated August 21, 1997, to be effective July 15, 1997.

SUBJECT LEASES:

Prima Lease No.	*Lessor*	*Lessee*	*Lease Date*	*Legal Description/Sublette County, Wyoming*
240-00001-000	WYW-133063	Ann M. Trujillo	08/01/94	Township 27 North, Range 108 West, 6th P.M. Section 21: All Section 27: All Section 28: N/2 Section 29: NW/4 Section 34: N/2
240-00002-000	WYW-133064	Ann M. Trujillo	08/01/94	Township 27 North, Range 108 West, 6th P.M. Section 25: All Section 26: NE/4NE/4, S/2NE/4, NW/4, S/2 Section 35: N/2, SW/4

Form 3110-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OFFER TO LEASE AND LEASE FOR OIL AND GAS

10121

Serial No.

WYW143046

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, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (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: High Plains Assoc
   Street: 1557 Ogden St #300
   City, State, Zip Code: Denver, CO 80218

Future rental payments must be made on or before the anniversary date to:
Minerals Management Service
Royalty Management Program
P.O. Box 5640
Denver, CO 80217

2. This application/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: *Parcel No.: _____ *Sale Date (m/d/y): ____ / ____ / ____
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. R. Meridian State County

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

SEE ATTACHED

264140

RECORDED Oct. 23 1997 9:35 A M
IN BOOK 155 PAGE 712
FEES $ 34.00
SUBLETTE COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Seaton

Total acres in lease 2154.300
Rental retained $ 3232.50

This lease is issued granting 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.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☒ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Laura L. Steele (Signing Officer)

for Chief, Leasable Minerals Section (Title) SEP 16 1997 (Date)

EFFECTIVE DATE OF LEASE OCT 01 1997

(Continued on reverse)

FOR LESSEE

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 each public domain and acquired lands separately in the same State do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options, (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(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 in part, unless the withdrawal is received by the proper 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.

Duly executed this _____ day of _____, 19 ____.

_____

(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) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00;
(b) Competitive lease, $1.50; for the first 5 years; thereafter $2.00;
(c) Other, see attachment, or
as specified in regulations at the time this lease is issued.

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), or (c) 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) Noncompetitive lease, 12½%;
(b) Competitive lease, 12½%;
(c) Other, see attachment; or
as specified in regulations at the time this lease is issued.

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 in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. 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) (30 U.S.C. 1701). 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—A bond shall be filed and maintained for lease operations as 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-way. 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 of 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 unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. 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. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WYW143046

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: November 30, 1996

State	Date of sale
WY	8/5/97

PARCEL NUMBER	AMOUNT OF BID *(See Instructions below)*	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR *(Check one)*: ☐ Oil and Gas Parcel Number 402		1
☐ Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA)		

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. *(See details concerning lease qualifications on reverse.)*

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

High Plains Associates, Inc.
Print or Type Name of Lessee

Conn S. Ostwald III
Signature of Lessee or Bidder

1557 Ogden St., Ste 300
Address of Lessee

Denver | CO | 80218
City | State | Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID *(Except NPR-A)*

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale.*
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed *(signed)* before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in *(Name of KGRA)* or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale.*
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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.

(Continued on reverse)

QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association *(including partnerships and trusts)* of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be 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; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

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 bid for a Competitive Oil and Gas or Geothermal Resources Lease.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

PRINCIPLE PURPOSE: The information is to be used to process your bid.

ROUTINE USES: (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or 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: Disclosure of the information is voluntary. If all the information is not provided, your bid 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 in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220.
This information will be used to determine the bidder submitting the highest bid.
Response to this request is required to obtain a benefit.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0074), Washington, D.C. 20503.

WYW143046 2154.800 Acres
T.031ON, R.109OW, 06th PM, WY
sec. 004 LOTS 1,2;
004 S2NE,SE;
009 N2NE,SWNE,NWSE;
009 SENE,NESE (EXCL 4.00 AC
009 IN RSVR ROW WYW020645);
021 LOTS 2,6,9;
021 SWNW,NESE,S2SE;
021 LOT 3,NWNW (EXCL 3.00 AC
021 IN RSVR ROW WYW020645 AND
021 RSVR ROW WYW02438);
022 SW;
027 W2NE,W2,SE;
034 N2,E2SW,SE;
Sublette County

77

WW143046

MULTIPLE MINERAL DEVELOPMENT STIPULATION

Operations will not be approved which, in the opinion of the authorized officer, would unreasonably interfere with the orderly development and/or production from a valid existing mineral lease issued prior to this one for the same lands.

Under Regulation 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

6. Material sites.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the 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 threshold 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).

The referenced oil and gas leases on these lands are hereby made subject to the stipulation that the exploration or drilling activities will not interfere materially with the use of the area as a materials site/free use permit. At the time operations on the above lands are commenced, notification will be made to the appropriate agency. The name of the appropriate agency may be obtained from the proper BLM District Office.

719

WYW143046

SPECIAL LEASE NOTICE

THREATENED, ENDANGERED, CANDIDATE, OR OTHER SPECIAL STATUS PLANT AND ANIMAL SPECIES

The lease area may contain habitat for the threatened, endangered, candidate, or other special status plant and animal species listed below. Exploration and development proposals may be limited, or modifications required, if activity is planned within the habitat boundaries of a threatened, endangered, candidate, or other special status plant/animal species as it then exists. Upon receipt of a site specific proposal, the authorized officer will review current inventory records of each location and may require that further localized surveys be performed to assure no threatened, endangered, candidate (category 1 or 2), proposed, or other special status species are present. (Endangered Species Act of 1973 as amended, Sections 2 and 7.)

SPECIES: Cirsium aridum (Cedar Rim thistle);

[redacted] [redacted] [redacted]

WYW143046

NO SURFACE OCCUPANCY STIPULATION - NSO

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

(1) Sec 21: Lots 2,3,6,9;

For the purpose of:

(2) protecting HUD designated Zone A (100 year) flood hazard area on perennial water courses.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

WYW143046

TIMING LIMITATION STIPULATION - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

(1) Nov 15 to Apr 30;

On the lands described below:

(2) entire lease, excluding areas protected by NSO;

For the purpose of (reasons):

(3) protecting big game crucial winter range.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

[redacted] [redacted] [redacted]

WYW143046

TIMING LIMITATION STIPULATION - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

(1) Feb 1 to Jul 31;

On the lands described below:

(2) as mapped on the Pinedale RMP Oil and Gas Lease Stipulation Overlay #2, excluding areas protected by NSO;

For the purpose of (reasons):

(3) protecting sage grouse nesting habitat.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

WYW143046

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use between Feb 1 and July 31 within a radius of up to 1 mile of occupied or active raptor nest sites will be restricted or prohibited unless the operator and surface managing agency arrive at an acceptable plan for mitigation of anticipated impacts;

On the lands described below:

(2) as mapped on the Pinedale RMP Oil and Gas Lease Stipulati n Overlay #2, or as determined by a pre-disturbance raptor survey, excluding areas protected by NSO;

For the purpose of:

(3) protecting raptor nesting habitat.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

[redacted] [redacted] [redacted]

WYW143046

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use within 1/4 mile or the visual horizon (whichever is closer) of contributing segments of the Lander Cut-off of the Oregon Trail will be restricted or prohibited unless the operator and surface managing agency arrive at an acceptable plan for mitigation of anticipated impacts;

On the lands described below:

(2) as mapped on the Pinedale RMP Oil and Gas Lease Stipulation Overlay #2;

For the purpose of:

(3) protecting contributing segments of the National Historic Trails System.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

WYW143046

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use will be restricted or prohibited unless the operator and surface managing agency arrive at an acceptable plan for mitigation of anticipated impacts;

On the lands described below:

(2) as mapped on the Pinedale RMP Visual Resource Management Overlay (preferred alternative), excluding areas protected by NSO;

For the purpose of:

(3) protecting Class I and II Visual Resource Management Areas.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NOTICE TO LESSEE

Provisions of the 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, sublessee 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, sublessor 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.