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 94-00293 **Assignment Approval Date -** _____

ASSIGNOR, with name and address at, **Ultra Petroleum (USA) Inc.**
1112 Bonnie Brae
Casper, WY 82601

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

interest in this lease, described in particular if less than the total leasehold as:

Township 33 North, Range 109 West, 6th P.M.
Section 16: All

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

1) ASSIGNEE, with name and address at:

Ultra Resources, Inc.
304 Inverness Way South, Suite 295
Englewood, CO 80112

100 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:

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

and reserving unto ASSIGNOR, _____

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* 1 *of Lease#* 94-00293 *assignment dated* October 17, 1997

267648

RECORDED June 8, 1998 2:55 PM
IN BOOK 108 Oth 6 PAGE 1
FEES $ 8.00 _____ COUNTY CLERK
CAMPBELLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

WY-1068

SIGNED AS TO TRANSFER AND ACCEPTANCE this 17th day of October 19 97

ASSIGNOR - ULTRA PETROLEUM (USA), INC.	Assignee (1) - ULTRA RESOURCES, INC.
By - Charlotte Kauffman	By - M. Jerry Albertus
Title - Charlotte Kauffman	Title - R. G. "Jerry" Albertus
Attest - Attorney-in-Fact	Attest - President

STATE OF Colorado)
) SS
COUNTY OF Douglas)

BE IT KNOWN, that on this 17 day of October, 1997, before me, the undersigned authority, personally came and appeared **Charlotte Kauffman, General Counsel of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said General Counsel of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Donna K. Long
Notary Public

DONNA K. LONG NOTARY PUBLIC STATE OF COLORADO

My commission expires:

My Commission Expires 01-02-2002

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.

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW145271

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: Marshall & Winston
   Street: PO Box 50880
   City, State, Zip Code: Midland, TX 797100880

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)* 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 _____

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. 111OW 06th Meridian WY State Sublette County
sec. 001 ALL;
004 S2;

267654

RECORDED June 2 1998 11:00AM
IN BOOK 148 Misc PAGE 3
FEES $16.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Karla Pape

Total acres in lease 960.000
Rental retained $ 1440.00

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)

X ☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis (Signing Officer)

Chief, Leasable Minerals Section (Title)

MAY 14 1998 (Date)

EFFECTIVE DATE OF LEASE JUN 01 1998

(Continued on reverse)

FOR LESSEE

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] [redacted]

WYW145271

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.

WYW145271

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]

WYW145271

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 Green River Resource area GIS database;

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.)

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.

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

97 DEC 11 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-97280

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)*
   Street
   City, State, ZIP Code

Union Pacific Resources Company
801 Cherry Street
Fort Worth, TX 76102

*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 109 West, 6th P.M. Section 21: All Section 28: All Section 29: E2, S2SW4 Containing 1680.00 acres, more or less Sublette County, Wyoming	16%	9%	7%	None	7.5%

267655

RECORDED June 9 1998 11:20A M
IN BOOK 108 O&G PAGE 9
FEES $ 12.00 M L LHO COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Glenda Pape

98 MAR -2 AM 9:00
RECEIVED
CHEYENNE, WYOMING
BUREAU OF LAND MANAGEMENT

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☒ Transfer approved effective APR 01 1998

By /s/ PAMELA J. LEWIS (Authorized Officer)
Chief, Leasable Minerals Section (Title)
APR 17 1998 (Date)

W93-4648 **FOR ASSIGNEE**

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 6th day of October, 1997 by Lewis W. Douglas, known to me personally as the _____ President of Stanley Energy W., Inc., who executed the foregoing instrument on behalf of said corporation for the purposes herein set out.

Witness my hand and official seal.

My Commission Expires:
4

Notary Public

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 6th day of Oct, 19 97

Name of Transferor STANLEY ENERGY W., INC.
Please type or print

Transferor _____
(Signature)
or
Attorney-in-fact President
(Signature)

1776 Lincoln Street, Suite 410
(Transferor's Address)
Denver, CO 80203
(City) (State) (Zip Code)

Executed this 25th day of November, 19 97

UNION PACIFIC RESOURCES COMPANY

Transferee _____
(Signature)
or
Attorney-in-fact Anne M. Bronsan
(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, (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 (1004-0034), 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: 1988-774-217/87027

State of Texas)
) ss.
County of Tarrant)

BEFORE ME, the undersigned authority, on this day personally appeared ANNE M. BROUSSARD, known to me to be the person whose name is subscribed to the foregoing instrument as ATTORNEY-IN-FACT of UNION PACIFIC RESOURCES COMPANY, a Delaware Corporation, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 25th DAY OF November, 1997.

Anne M. Kohler
NOTARY PUBLIC

ANNE M. KOHLER
Notary Public
STATE OF TEXAS
My Comm. Exp 01/10/2000

//

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1998)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 4th day of March 19 98 by and between
Sandra E. Wohrman and Frederick R. Wohrman, individually and as wife and husband

of 17807 Joshua Circle, Fountain Valley, CA 92708, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

RECORDED April 11 19 98 M
IN BOOK 108 O+G PAGE 12 11:20P
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See Exhibit "A" attached hereto and made a part hereof

267686

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 1715.67 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Great Western Bank, at 16141 Beach Blvd, Huntington Beach, CA 92647 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms hereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Sandra E. Wohrman
Sandra E. Wohrman
SS# 520-42-0276

Frederick R Wohrman
Frederick R. Wohrman
SS# 431-64-9776

STATE OF CALIFORNIA
COUNTY OF ORANGE } ss.

INDIVIDUAL

On this 21st day of March, 19 98, before me personally appeared Sandra E. Wohrman and Frederick R. Wohrman, inidvidually and as wife and husband

to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that t he y executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 21st day of March, 19 98.

My commission expires: June 3, 2001

JODEAN TIERNEY
Commission # 1141101
Notary Public — California
Orange County
My Comm. Expires Jun 3, 2001

Jodean Tierney
Notary Public for the State of California
residing at Fountain Valley CA

STATE OF
COUNTY OF } ss.

CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19 .

My commission expires:

Notary Public for the State of
residing at

EXTENSION OF LEASE TERM

Attached to and made a part of that certain Oil and Gas Lease dated March 4, 1998, by and between Sandra F. Wohrman and Frederick R. Wohrman, individually and as wife and husband, as Lessor, and Hanson & Strahn, Inc., as Lessee.

LEGAL DESCRIPTION:

Township 33 North, Range 113 West, 6th P.M.
Section 03: Lots 3(39.18), 4(39.01), SW1/4NW1/4, NW1/4SW1/4
Section 04: Lots 1(38.83), 2(38.65), S1/2NE1/4
Township 34 North, Range 113 West, 6th P.M.
Section 15: S1/2SW1/4, W1/2SE1/4
Section 20: SW1/4NE1/4, E1/2SW1/4, SE1/4
Section 21: SE1/4NE1/4, N1/2SW1/4, SW1/4SW1/4, NW1/4SE1/4
Section 22: N1/2NW1/4, SW1/4NW1/4
Section 29: NW1/4NE1/4, SW1/4SE1/4
Section 32: NE1/4, N1/2SE1/4, SE1/4SE1/4
Section 33: SW1/4, SW1/4SE1/4
Section 34: E1/2SW1/4

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 4th day of March, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

Sandra E. Wohrman

Sandra E. Wohrman

Frederick R. Wohrman

Frederick R. Wohrman

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1989)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 4th day of March 19 98 by and between
Thomas Daniel O'Neil, III, and Sharon A. O'Neil, individually and as husband and wife

of 14952 WCR 6, Ft Lupton, CO 80621, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

267687

RECORDED June 11 1998 M 12:20 P
IN BOOK 168 Misc PAGE 15
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 715.67 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

INITIAL
TOO
HERE

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit at the Direct to Lessor ~~depository~~ bank ~~at~~ _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Thomas Daniel O'Neil III

Thomas Daniel O'Neil, III
SS# 520-42-4319

Sharon A. O'Neil

Sharon A. O'Neil
SS# 479-48-4093

STATE OF COLORADO
COUNTY OF WELD
} ss.

INDIVIDUAL

On this _____ day of _____, 19 98, before me personally appeared Thomas

Daniel O'Neil, III, and Sharon A. O'Neil, individually and as husband and wife

to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that they executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 19th day of March, 19 98.

My commission expires: 11-22-99

Betty J. Hale

Notary Public for the State of Colorado
residing at Ft Lupton Co.

STATE OF _____
COUNTY OF _____
} ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXTENSION OF LEASE TERM

Attached to and made a part of that certain Oil and Gas Lease dated March 4, 1998, by and between Thomas Daniel O'Neil, III and Sharon A. O'Neil, individually and as husband and wife, as Lessor, and Hanson & Strahn, Inc., as Lessee.

LEGAL DESCRIPTION:

Township 33 North, Range 113 West, 6th P.M.
Section 03: Lots 3(39.18), 4(39.01), SW1/4NW1/4, NW1/4SW1/4
Section 04: Lots 1(38.83), 2(38.65), S1/2NE1/4
Township 34 North, Range 113 West, 6th P.M.
Section 15: S1/2SW1/4, W1/2SE1/4
Section 20: SW1/4NE1/4, E1/2SW1/4, SE1/4
Section 21: SE1/4NE1/4, N1/2SW1/4, SW1/4SW1/4, NW1/4SE1/4
Section 22: N1/2NW1/4, SW1/4NW1/4
Section 29: NW1/4NE1/4, SW1/4SE1/4
Section 32: NE1/4, N1/2SE1/4, SE1/4SE1/4
Section 33: SW1/4, SW1/4SE1/4
Section 34: E1/2SW1/4

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 4th day of March, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

Thomas Daniel O'Neil, III

Sharon A. O'Neil

roducers 88
Rocky Mountain 1989
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 31st day of March, 19 98, by and between David S. Budd and Bonnie B. Budd, individually and as husband and wife

of PO Box 309, Big Piney, WY 83113, hereinafter called lessor (whether one or more), and Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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 Wyoming, State of Sublette described as follows, to-wit:

RECORDED June 11 1998 M 12:20 P
IN BOOK 168 & 4 PAGE 18
FEES $ 12.00
SUBLETTE COUNTY, PINEDALE, WYOMING

See Exhibit "A" attached hereto and made a part hereof

267688

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 811.30 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

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 the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Community First National Bank, 440 Budd Avenue, Big Piney, WY 83113, or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above by, through & under, but not otherwise, as to their actions, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

David S Budd
David S. Budd
SS# 520-32-7835

Bonnie B Budd
Bonnie B. Budd
SS#

STATE OF WYOMING
COUNTY OF SUBLETTE } ss.

INDIVIDUAL

On this 7th day of April, 19 98, before me personally appeared David S. Budd and Bonnie B. Budd, individually and as husband and wife

to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that t he y executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 7th day of April, 19 98.

My commission expires: 9-16-200

BARBARA A. WELLS - Notary Public
County of Sublette State of Wyoming
My Commission Expires 9-16-2001

Barbara A Wells
Notary Public for the State of Wyoming
residing at Big Piney

STATE OF
COUNTY OF } ss.

CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19 .

My commission expires:

Notary Public for the State of
residing at

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated March 31, 1998, by and between David S. Budd and Bonnie B. Budd, individually and as husband and wife, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 32 North, Range 113 West, 6th P.M.
Section 08: Lots 1, 2, S1/2NE1/4, SE1/4NW1/4, N1/2SW1/4, NE1/4SE1/4
Section 09: Lots 3, 4, S1/2NW1/4, NW1/4SW1/4
Township 33 North, Range 113 West, 6th P.M.
Section 34: S1/2NE1/4, SE1/4
Section 35: SW1/4
Sublette County, Wyoming

Notwithstanding anything to the contrary contained herein, in the event a gas well is completed capable of producing gas but which is not being produced, this lease may not be maintained in effect for a period exceeding three years beyond the primary term hereof under the shut-in gas provisions included above.

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 31st day of March, 2001, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for Identification:

David S. Budd

Bonnie B. Budd

producers 88
Rocky Mountain 1999
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 31st day of March 19 98 by and between

Carl E. Budd, a married man dealing in his sole and separate property

of 1405 Collins, Rock Springs, WY 82901, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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 Wyoming, State of Sublette, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

267689

RECORDED June 11 1998 M 12:20 P
IN BOOK 108 R+P PAGE 21
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING By Barb Pape

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by evulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 811.30 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

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 the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Rock Springs National Bank, at P.O. Box 880, Rock Springs, WY 82902 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, by, through & under, but not otherwise, as to their actions, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Carl E. Budd

Carl E. Budd
SS# 520-36-2210

STATE OF WYOMING
COUNTY OF SWEETWATER } ss.

INDIVIDUAL

On this 6th day of April, 19 98, before me personally appeared Carl E. Budd, a married man dealing in his sole and separate property

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that he executed the same as his free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 6th day of April, 19 98.

My commission expires:
2-25-2000

DIANNE M. BLAZOVICH - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES FEBRUARY 25, 2000

Dianne M. Blazovich

Notary Public for the State of Wyoming
residing at Sweetwater Co., Rock Springs

STATE OF _____
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

_____

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated March 31, 1998, by and between Carl E. Budd, a married man dealing in his sole and separate property, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 32 North, Range 113 West, 6th P.M.
Section 08: Lots 1, 2, S1/2NE1/4, SE1/4NW1/4, N1/2SW1/4, NE1/4SE1/4
Section 09: Lots 3, 4, S1/2NW1/4, NW1/4SW1/4
Township 33 North, Range 113 West, 6th P.M.
Section 34: S1/2NE1/4, SE1/4
Section 35: SW1/4
Sublette County, Wyoming

Notwithstanding anything to the contrary contained herein, in the event a gas well is completed capable of producing gas but which is not being produced, this lease may not be maintained in effect for a period exceeding three years beyond the primary term hereof under the shut-in gas provisions included above.

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 31st day of March, 2001, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for Identification:

Carl E. Budd

Carl E. Budd

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 30th day of March, 19 98 by and between Julie S. McInnis, also known as Julie Sears McInnis, a married woman dealing in her sole and separate property of 217 Bodine Drive, Evanston, WY 82930, hereinafter called lessor (whether one or more), and Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

RECORDED June 11 1998 M 12:20 P
IN BOOK 168 046 PAGE 24
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By

See Exhibit "A" attached hereto and made a part hereof

267690

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 520.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~XXXXX~~ five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the First Community Nat'l. Bank, at 849 Front Street, Evanston, WY 82930 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Julie S McInnis

Julie S. McInnis, also known as Julie Sears McInnis
SS# 520-52-8230

STATE OF WYOMING
COUNTY OF UINTA
} ss.

INDIVIDUAL

On this 14TH day of APRIL, 19 98, before me personally appeared Julie S. McInnis, also known as Julie Sears McInnis, a married woman dealing in her sole and separate property

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 14TH day of APRIL, 19 98.

My commission expires: JUNE 24, 2001

NOTARY PUBLIC UINTA COUNTY, WYOMING

Notary Public for the State of WYOMING
residing at 161 FEARN, EVANSTON WY 82930

STATE OF _____
COUNTY OF _____
} ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

Notary Public for the State of _____
residing at _____

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated March 30, 1998, by and between Julie S. McInnis, also known as Julie Sears McInnis, a married woman dealing in her sole and separate property, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 15: S1/2S1/2
Section 21: E1/2NE1/4
Section 22: N1/2N1/2, S1/2NW1/4, SW1/4NE1/4
Sublette County, Wyoming

20. Lessee agrees that Lessor shall not bear any "on Lease" transportation or processing costs.

21. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil, gas operations, Lessee shall consult with surface owner as to the direction and placement of same. Lessee shall also consult with surface owner as to the location of any well or wells, pipelines, tank batteries, fences or installation of other equipment on the leased premises before installing same.

22. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for Identification:

Julie S. McInnis, also known as Julie Sears McInnis

[redacted]

[redacted]

RECORDED 5/20/1998 AT 09:00 AM REC# 1262911 BK# 0898 PG# 1343
LORETTA BAILIFF, CLERK of SWEETWATER COUNTY, WY Page 1 of 1

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, that ULTRA RESOURCES, INC., 304 Inverness Way South, Suite 295, Englewood, CO 80112, Assignor, for the sum of One Dollar ($1.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, overriding royalty unto the following parties in the amounts shown below:

NAME	ADDRESS	PERCENT
Gasconade Oil Company	633 17th Street, Suite 1910 Denver, CO 80202	1.66666%
The Roy H. Dubitzky Trust	6663 So. Prescott Way Littleton, CO 80120	1.66667%
Riggs Oil & Gas Corporation	P. O. Box 711 Farmington, NM 87499	1.66667%

BEING in all a total of an undivided 5% overriding royalty proportionately reduced by Assignor's interest therein, if less than 100%, of all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the oil and gas lease described as follows:

WY-1022	Lessor:	State of Wyoming 97-00351
	Lessee:	Ultra Resources, Inc.
	Lease Date:	7/2/97
	Lands Covered:	Township 30 North, Range 107 West Section 16: All Sublette Co., Wyoming

WITNESS my hand on this 5th day of May, 1998.

ULTRA RESOURCES, INC.

R. G. "Jerry" Albertus, President

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 5th day of May, 1998, before me, the undersigned authority, personally came and appeared **R. G. "Jerry" Albertus**, appearing in his capacity as President of **ULTRA RESOURCES, INC.,** to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Amy Barton
Notary Public

My commission expires:

7/18/2000

267700

RECORDED June 12 19 98 11:00 AM
IN BOOK 168 Rec'd PAGE 27
FEES $ 6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Shelli Pope

28

RECORDED 5/20/1998 AT 09:00 AM REC# 1262912 BK# 0898 PG# 1344
LORETTA BAILIFF, CLERK of SWEETWATER COUNTY, WY Page 1 of 1

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, that ULTRA RESOURCES, INC., 304 Inverness Way South, Suite 295, Englewood, CO 80112, Assignor, for the sum of One Dollar ($1.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, overriding royalty unto the following parties in the amounts shown below:

NAME	ADDRESS	PERCENT
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The Roy H. Dubitzky Trust	6663 So. Prescott Way Littleton, CO 80120	1.66667%
Riggs Oil & Gas Corporation	P. O. Box 711 Farmington, NM 87499	1.66667%

BEING in all a total of an undivided 5% overriding royalty proportionately reduced by Assignor's interest therein, if less than 100%, of all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the oil and gas leases described as follows:

WY-1025	Lessor:	State of Wyoming 97-00354
	Lessee:	Ultra Resources, Inc.
	Lease Date:	7/2/97
	Lands Covered:	Township 31 North, Range 108 West Section 36: All Sublette Co., Wyoming
WY-1029	Lessor:	State of Wyoming 97-00358
	Lessee:	Ultra Resources, Inc.
	Lease Date:	7/2/97
	Lands Covered:	Township 32 North, Range 108 West Section 36: All Sublette Co., Wyoming

WITNESS my hand on this 5th day of May, 1998.

ULTRA RESOURCES, INC.

R. G. "Jerry" Albertus, President

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 5th day of May, 1998, before me, the undersigned authority, personally came and appeared **R. G. "Jerry" Albertus**, appearing in his capacity as President of **ULTRA RESOURCES, INC.**, to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE OF COLORADO

Notary Public

My commission expires:
3.17.2000

267701

RECORDED June 12 1998 10:00 AM
IN BOOK 108, 0-6 PAGE 28
FEES $ 6.00
SUBLETTE COUNTY, PINEDALE WYOMING
COUNTY CLERK
By

[redacted] [redacted] [redacted]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, that Fossil Associates whose address is 633 17th St. #1910, Denver, CO 80202, Assignor (whether one or more), for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, an overriding royalty unto the following party(s) in the amount(s) shown:

SEE THE ATTACHED EXHIBIT "B"

BEING in all a total of an undivided 1.75% of 8/8ths overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the land situated in Sublette County, State of WY and more fully described on Exhibit "A" attached hereto and made a part hereof for all purposes.

IN WITNESS WHEREOF, this instrument is executed this 25th day of May, 19 98.

Fossil Associates

Walter K. Arbuckle

Walter K. Arbuckle, Member of the Joint Venture

STATE OF Colorado)

COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 25th day of May, 19 98, by Walter K. Arbuckle.

Jaxcene L. Heinze

Notary Public

Address:

My Commission Expires: Jan. 4th, 2000

JAXCENE L. HEINZE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 1-4-2000

267702

RECORDED June 12 19 98 10:00 AM

IN BOOK 108 P+G PAGE 29

FEES $ 10.00 COUNTY CLERK

SUBLETTE COUNTY, PINEDALE WYOMING

By Shaka Pape

EXHIBIT "A"

1. Lessor: USA #118324
   Lessee: Coastal Oil & Gas Corporation
   Dated: 12-1-89
   Legal: T. 28 N. R. 107 W. 6thPM
   Section 31: Lots 1-4, E½, E½W½
   Section 32: All

   Sublette County, WY

EXHIBIT "B"

1. Gasconade Oil Co. 633 17th St. #1910 Denver, CO 80202	1/3rd of 1.75% of 8/8ths
2. The Roy H. Dubitzky Trust Roy H. Dubitzky, Trustee 6663 S. Prescott Way Littleton, CO 80120	1/3rd of 1.75% of 8/8ths
3. Riggs Oil & Gas Corporation P.O. Box 711 Farmington, NM 87499	1/3rd of 1.75% of 8/8ths

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

This Assignment of Overriding Royalty ("Assignment") dated as of June 1, 1998, at 7:00 a.m. at the location of the properties ("Effective Time"), is from **Ruth R. Ellbogen**, a single woman, P.O. Drawer 3280, Casper, WY 82602 ("Assignor"), to **Ruth R. Ellbogen, Trustee** of the Ruth R. Ellbogen Trust U/A dated 8/9/84, P.O. Drawer 3280, Casper, WY 82602 ("Assignee").

For $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Assignor, Assignor has transferred, granted, bargained, sold and assigned, and does hereby transfer, grant, bargain, sell and assign unto Assignee, an overriding royalty of 7/16ths of 1% of all the oil, gas and other hydrocarbons produced and saved from that certain federal oil and gas lease WYW-73977, segregated out of Wyoming 06009, dated effective June 1, 1951, from the United States of America, as lessor, to Paul D. Fintus, as lessee (the "Lease"), said Lease covering the following described lands in Sublette County, Wyoming:

Township 32 North, Range 114 West, 6th P.M.
Section 17: All
Section 18: E½
Section 20: N½, N½S½
Containing 1440.00 acres, more or less
(the "Lands")

This Assignment of Overriding Royalty is made subject to the terms of the Lease, and this assignment shall be and remain in force and effect under any and all renewals and extensions thereof.

TO HAVE AND TO HOLD said overriding royalty unto assignee, her successors and assigns forever.

The oil, gas and other hydrocarbons so produced and saved from the Lands to be delivered free of cost to Assignee, her successors and assigns, in the pipeline or pipelines serving said premises or into tanks erected for the purpose of storing said products, together with the rights, privileges and benefits derived therefrom.

IN WITNESS WHEREOF, Assignor executes this instrument as of the day and year first above written.

Ruth R. Ellbogen
RUTH R. ELLBOGEN

STATE OF WYOMING)
)ss.
COUNTY OF Natrona)

The foregoing instrument was acknowledged before me this 9th day of June, 1998, by Ruth R. Ellbogen.
Witness my hand and official seal.

Kelly M. Nielsen
Notary Public

My Commission Expires:

August 11, 1998

KELLY M. NIELSEN - NOTARY PUBLIC
COUNTY OF NATRONA STATE OF WYOMING
My Commission Expires Aug. 11, 1998

267703

RECORDED June 12 1998 10:30A M
IN BOOK 108 P+G PAGE 32
FEES $ 6.00 Mary L Lloyd COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Linda Pape

Form 3000-3
(January 1996)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

98 JUN -3 AM 9:00

RECEIVED
CHEYENNE, WYOMING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ASSIGNMENT OF RECORD TITLE INTEREST IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Acquired Lands Act 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)

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

Lease Serial No.
WYW128039

Lease Effective Date
(Anniversary Date)
January 1, 1993

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Dana H. Deuel
   Street P.O. Box 1606 (¼ of 1% of 8/8ths)
   City, State, ZIP Code Casper, Wyoming 82602

*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	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	OVERRIDING ROYALTY				
a	b	c	d	e	f
Township 28 North, Range 109 West, 6th P.M. Section 10: all; 14: all; 1280.00 acres m/l Sublette County, Wyoming It is the intent of this assignment to convey a total of one-half of one percent of 8/8ths overriding royalty.	2.5%	0.5%	2.0%		

267704

RECORDED June 12 1998 10:40 AM
IN BOOK 108 P+R PAGE 33
FEES $ 8.00 M L LHD COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Shirla Page

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 _____

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.

34

Arch W. Deuel, TTEE for the
Arch W. Deuel Trust U/A/D 2-10-92 (¼ of 1% of 8/8ths)
P.O. Box 1606
Casper, Wyoming 82602

State Of Colorado
County Of Douglas

On May 14, 1998 Linnea Peterson personaly appeard before me. Produced a Colo. Drivers license.

Pat Thomi
notary

MY COMMISSION EXPIRES:
November 1, 1998

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 14th day of May, 1998

Name of Assignor as shown on current lease Linnea I. Peterson
Please type or print

Assignor Linnea I. Peterson
(Signature)
or
Attorney-in-fact _____
(Signature)

3862 W. Woods Road
(Assignor's Address)
Sedalia, Colorado 80135
(City) (State) (Zip Code)

Executed this 26th day of May, 1998

Assignee x Dana H. Deuel
Dana H. Deuel (Signature)
or
Attorney-in-fact x Arch W. Deuel
(Signature)
Assignee
Arch W. Deuel, TTEE for the
Arch W. Deuel Trust

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.

*U.S. GPO 1997: 573-004/41047

[redacted] [redacted] [redacted]

Form 3000-3
(January 1996)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

98 JUN -3 AM 9:00

RECEIVED
CHEYENNE, WYOMING

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.
WYW141881

Lease Effective Date
(Anniversary Date)
January 1, 1993

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Dana H. Deuel
   Street P.O. Box 1606 (¼ of 1% of 8/8ths)
   City, State, ZIP Code Casper, Wyoming 82602

*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	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	OVERRIDING ROYALTY				
a	b	c	d	e	f
Township 28 North, Range 109 West, 6th P.M. Section 24: all; 25: all; 1280.00 acres m/l Sublette County, Wyoming	2.5%	0.5%	2.0%		

It is the intent of this assignment to convey a total of one-half of one percent of 8/8ths overriding royalty.

267705

RECORDED June 12 1998 11:40 AM
IN BOOK 168 Misc. PAGE 35
FEES $ 8.00 M L Gfeld COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Sheila Pope

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)

...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.

36

Arch W. Deuel, TTEE for the
Arch W. Deuel Trust U/A/D 2-10-92 (¼ of 1% of 8/8ths)
P.O. Box 1606
Casper, Wyoming 82602

State of Colorado
County of Douglas
on May 14, 1998 Linnea I. Peterson personally appeared before me. Produced a Colo. Drivers License

NOTARY PUBLIC STATE OF COLORADO

MY COMMISSION EXPIRES: December 1, 1998

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 14th day of May, 1998

Name of Assignor as shown on current lease Linnea I. Peterson
Please type or print

Assignor Linnea I. Peterson
(Signature)

or

Attorney-in-fact _____
(Signature)

9852 W. Woods Road
(Assignor's Address)

Sedalia, Colorado 80135
(State) (Zip Code)

Executed this 26th day of May, 1998

Assignee Dana H. Deuel
Dana H. Deuel (Signature)

~~Attorney-in-fact~~ Arch W. Deuel
(Signature)

Assignee
Arch W. Deuel, TTEE for the
Arch W. Deuel Trust

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]

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, that ULTRA RESOURCES, INC., 304 Inverness Way South, Suite 295, Englewood, CO 80112, Assignor, for the sum of One Dollar ($1.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign and deliver without warranty, express or implied, overriding royalty unto the following parties in the amounts shown below:

NAME	ADDRESS	PERCENT
Gasconade Oil Company	633 17th Street, Suite 1910 Denver, CO 80202	1.66666%
The Roy H. Dubitzky Trust	6663 So. Prescott Way Littleton, CO 80120	1.66667%
Riggs Oil & Gas Corporation	P. O. Box 711 Farmington, NM 87499	1.66667%

BEING in all a total of an undivided 5% overriding royalty proportionately reduced by Assignor's interest therein, if less than 100%, of all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from the oil and gas leases described as follows:

WY-1146 Lessor: USA WYW-06934
Lease Date: 7/1/51
Lands Covered: **INSOFAR AND ONLY INSOFAR AS LEASE COVERS:**
Township 30 North, Range 108 West
Section 7: Lots 3, 4, E/2SW/4, SE/4
Township 31 North, Range 108 West
Section 19: E/2
Section 29: W/2
Township 30 North, Range 109 West
Section 12: S/2

267795

RECORDED June 18 1998 M 9:30A
IN BOOK 0108-6 PAGE 37
FEES $ 6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Lynn Pape

WY-1128 Lessor: USA WYW-6933
Lease Date: 7/1/51
Lands Covered: **INSOFAR AND ONLY INSOFAR AS LEASE COVERS**
Township 30 North, Range 108 West
Section 7: NE/4

WY-1343 Lessor: USA WYW-144995
Lease Date: 7/1/51
Lands Covered: **INSOFAR AND ONLY INSOFAR AS LEASE COVERS**
Township 31 North, Range 108 West
Section 17: SW/4
Section 18: E/2
Section 20: W/2

WY-~~1343~~ 1129 Lessor: USA WYW-015315
Lease Date: 6/1/51
Lands Covered: **INSOFAR AND ONLY INSOFAR AS LEASE COVERS**
Township 32 North, Range 109 West
Section 19: E/2
Section 20: All

WITNESS my hand on this 5th day of May, 1998.

ULTRA RESOURCES, INC.

R. G. "Jerry" Albertus, President

STATE OF COLORADO)
) SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 5th day of May, 1998, before me, the undersigned authority, personally came and appeared R. G. "Jerry" Albertus, appearing in his capacity as President of **ULTRA RESOURCES, INC.**, to me personally known to the [redacted] name is subscribed to the foregoing instrument as the said President of said corporation, and declared and [redacted] Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, [redacted]ent is the free act and deed of the said corporation and was executed for the uses, purposes and benefits

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

38

12.00

producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE

RECORDED June 24 1998 AM 12:00P
IN BOOK 198 Mach PAGE 38
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, [illegible]

267894

THIS AGREEMENT, made and entered into this 31st day of March

Richard E. Mounts and Diana M. Mounts, individually and as husband and wife, and as heirs of the Estate of Dorothy Muir Mounts, and as heirs of the Estate of Jessie M. Muir, both deceased of 5545 West Dry Creek Road, Healdsburg, CA 95448, hereinafter called lessor (whether one or more), and Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: INITIAL

See Exhibits "A" & "B" attached hereto and made a part hereof

DM RM

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 760.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from December 29, 1998 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Bank of America, Healdsburg Branch #0119 Bank, at 502 Healdsburg Ave., Healdsburg, CA 95448 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

X Richard E. Mounts

Richard E. Mounts, individually and as heir of the Estate of Dorothy Muir Mounts, and as heir of the Estate of Jessie M. Muir, both deceased

SS # 551-74-5190

X Diana M. Mounts

Diana M. Mounts, individually and as heir of the Estate of Dorothy Muir Mounts, and as heir of the Estate of Jessie M. Muir, both deceased

SS # [redacted]

STATE OF California
COUNTY OF Sonoma } ss.

JUDY JAMES
COMM. # 1032823
Notary Public — California
SONOMA COUNTY
My Comm. Expires AUG 5, 1998

On this 28th day of May, 19 98, before me personally appeared Richard E. Mounts and Diana M. Mounts, individually and as husband and wife, and as heirs of the Estate of Dorothy Muir Mounts, and as heirs of the Estate of Jessie M. Muir, both deceased to me known to be the person S described in, and who executed the foregoing instrument, and who acknowledged to me that they executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 28th day of May, 19 98.

My commission expires:
8/5/98

Judy James
Notary Public for the State of California
residing at Santa Rosa, CA 95403

STATE OF
COUNTY OF } ss.

CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19

My commission expires:

Notary Public for the State of
residing at

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 31st day of March, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of March 31, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Richard E. Mounts and Diana M. Mounts, husband and wife, individually and as the heirs of Dorothy Muir Mounts and Jessie M. Mounts, both deceased
LESSEE: Contex Energy Company
DATED: December 29, 1993, and recorded in Book 96, page 225 of the Sublette County records, as corrected by Correction of Oil and Gas Lease recorded in Book 96, page 287 of the Sublette County records.

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $997.50 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $2,992.50, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

Richard E. Mounts, individually and as heir of the Estate of Dorothy Muir Mounts, and as heir of the Estate of Jessie M. Muir, both deceased

Diana M. Mounts, individually and as heir of the Estate of Dorothy Muir Mounts, and as heir of the Estate of Jessie M. Muir, both deceased

LESSEE:

BY:
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated March 31, 1998, by and between Richard E. Mounts and Diana M. Mounts, individually and as husband and wife, and as heirs of the Estate of Dorothy Muir Mounts, and as heirs of the Estate of Jessie M. Muir, both deceased, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 24: SW1/4SW1/4
Section 25: W1/2
Section 26: NE1/4NE1/4
Section 35: NE1/4SE1/4
Section 36: W1/2
Sublette County, Wyoming

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 29th day of December, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x _____
Richard E. Mounts, individually and as heir of the Estate of Dorothy Muir Mounts, and as heir of the Estate of Jessie M. Muir, both deceased

x _____
Diana M. Mounts, individually and as heir of the Estate of Dorothy Muir Mounts, and as heir of the Estate of Jessie M. Muir, both deceased

12.00

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 1st day of April, 19 98 by and between
Colleen Haviland, formerly known as Colleen Noble, a widow

of Box 222, Grace, ID 83241, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, Wy 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

12:00P

RECORDED June 24 1998 AM
IN BOOK 108 Misc PAGE 172
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING

See Exhibits "A" & "B" attached hereto and made a part hereof

267895

By Tina Pool

SPECIAL WARRANTY DEED

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 160.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from January 17, 1999 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the _____ Bank, at _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein in due manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

x Colleen Haviland

Colleen Haviland, formerly known as
Colleen Noble

SS# 528-52-8856

STATE OF IDAHO
} ss.
COUNTY OF CARIBOU

INDIVIDUAL

On this ____ day of ____, 19 98, before me personally appeared ____

Colleen Haviland, formerly known as Colleen Noble, a widow

to me known to be the person ____ described in, and who executed the foregoing instrument, and who acknowledged to me that ____S____ he ____ executed the same as ____ her ____ free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 8th day of May, 98.

My commission expires:
10-23-98

Notary Public for the State of Idaho
residing at Ucon

STATE OF ____
} ss.
COUNTY OF ____

CORPORATE

On this ____ day of ____, 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.

Given under my hand and seal this ____ day of ____, 19 ____.

My commission expires:

Notary Public for the State of ____
residing at ____

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 1st day of April, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of April 1, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Colleen Haviland, formerly known as Colleen Noble, a married woman dealing in her sole and separate property
LESSEE: Contex Energy Company
DATED: January 17, 1994, and recorded in Book 96, page 288 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $350.00 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $1,050.00, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding upon and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

x Colleen Haviland
Colleen Haviland, formerly known as
Colleen Noble

LESSEE:

BY: Marc Rudd
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated April 1, 1998, by and between Colleen Haviland, formerly known as Colleen Noble, a widow, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

1. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read fifteen percent (15.00%) royalty.

2. Lessee shall have the right to unitize, pool or combine all or any part of land subject to this lease as to one or more of the formations thereunder with other lands in the same general area by entering into an agreement for the waterflooding or other recovery operations involving the introduction of extraneous forms of energy into any pool, repressurizing or pressure-maintenance operations, or recycling or recycling operations. The terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such agreement, and particularly all drilling and development requirements of such agreement, and this lease shall not terminate or expire during the life of such agreement. In the event the land described in this lease or any part thereof shall hereafter be operated under any such agreement, and the agreement provides for allocation of unitized production to different portions of the land covered by the agreement in accordance with a procedure set forth in the agreement, then the production allocated under the agreement to the lands covered by this lease, or any other part thereof, shall be, for the purpose of computing the royalties to be paid to Lessor, regarded as having been produced from the particular tract of land to which it is allocated, and the royalty payments to be made shall be based upon production only as so allocated.

3. Subject to the other provisions herein contained, three years after the expiration of the primary term, this lease shall terminate as to all lands which are not located within a "drillsite spacing unit" (as hereinafter defined) in which there is located a producing well or well capable of producing on the leased premises or on lands pooled or unitized therewith. For purposes of this paragraph, a drillsite spacing unit is defined as the lands included in the drilling and production unit established for the well, or attributed to the well for spacing purposes by the governmental authority having jurisdiction. If at or within one hundred twenty (120) days prior to the expiration of the three year period after expiration of the primary term, Lessee is engaged in drilling or reworking operations on the leased premises or on lands pooled or unitized therewith as heretofore provided, this provision shall be suspended for so long as Lessee continues such drilling or reworking operations with no cessation of more than one hundred twenty (120) consecutive days between completion or abandonment of such drilling or reworking operations on one well and the commencement of drilling or reworking operations on the next well. Lessee shall record a release as to all lands not covered by the accepted lands herein described.

4. In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 17th day of January, 2004, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, its heirs, successors or assigns at the last known address, the sum of fifty and 00/100 ($50.00) dollars per net mineral acre covered by this lease, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x Colleen Haviland
Colleen Haviland, formerly known as Colleen Noble

18.00

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 1st day of April, 19 98 by and between
Sally Noble Kidd, a widow

of 1114 Sybille Creek Road, Wheatland, WY 82201, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, Wy 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permitees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

INITIAL

12:00P

RECORDED April 21 1998
IN BOOK 148 Pct PAGE 40
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See Exhibits "A" & "B" attached hereto and made a part hereof

267896

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described herein, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 160.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from January 17, 1999 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Norwest Bank Wyoming, N.A. at P.O. Box 2799, Casper, WY 82602 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Sally Noble Kidd
SS#520-38-7309
Sally Noble Kidd

STATE OF WYOMING
COUNTY OF PLATTE } ss.

INDIVIDUAL

On this 4th day of May, 19 98, before me personally appeared Sally Noble Kidd, a widow

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 4th day of May, 19 98.

My commission expires: July 3, 1998

DEBORAH E. OBERG - NOTARY PUBLIC
County of Platte — State of Wyoming
My Commission Expires July 3, 1998

Deborah E. Oberg

Notary Public for the State of Wyoming
residing at Wheatland, Wy 82201

STATE OF _____
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

_____

Notary Public for the State of _____
residing at _____

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 1st day of April, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of April 1, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Sally Noble Kidd and D. Thomas Kidd, also known as David Thomas Kidd, wife and husband
LESSEE: Contex Energy Company
DATED: January 17, 1994, and recorded in Book 96, page 302 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $350.00 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $1,050.00, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on, and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

Sally Noble Kidd
Sally Noble Kidd, a widow

LESSEE:

BY:
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated April 1, 1998, by and between Sally Noble Kidd, a widow, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

1. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read fifteen percent (15.00%) royalty.

2. Lessee shall have the right to unitize, pool or combine all or any part of land subject to this lease as to one or more of the formations thereunder with other lands in the same general area by entering into an agreement for the waterflooding or other recovery operations involving the introduction of extraneous forms of energy into any pool, repressurizing or pressure-maintenance operations, or recycling or recycling operations. The terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such agreement, and particularly all drilling and development requirements of such agreement, and this lease shall not terminate or expire during the life of such agreement. In the event the land described in this lease or any part thereof shall hereafter be operated under any such agreement, and the agreement provides for allocation of unitized production to different portions of the land covered by the agreement in accordance with a procedure set forth in the agreement, then the production allocated under the agreement to the lands covered by this lease, or any other part thereof, shall be, for the purpose of computing the royalties to be paid to lessor, regarded as having been produced from the particular tract of land to which it is allocated, and the royalty payments to be made shall be based upon production only as so allocated.

3. Subject to the other provisions herein contained, three years after the expiration of the primary term, this lease shall terminate as to all lands which are not located within a "drillsite spacing unit" (as hereinafter defined) in which there is located a producing well or well capable of producing on the leased premises or on lands pooled or unitized therewith. For purposes of this paragraph, a drillsite spacing unit is defined as the lands included in the drilling and production unit established for the well, or attributed to the well for spacing purposes by the governmental authority having jurisdiction. If at or within one hundred twenty (120) days prior to the expiration of the three year period after expiration of the primary term, lessee is engaged in drilling or reworking operations on the leased premises or on lands pooled or unitized therewith as heretofore provided, this provision shall be suspended for so long as Lessee continues such drilling or reworking operations with no cessation of more than one hundred twenty (120) consecutive days between completion or abandonment of such drilling or reworking operations on one well and the commencement of drilling or reworking operations on the next well. Lessee shall record a release as to all lands not covered by the accepted lands herein described.

4. In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 17th day of January, 2004, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x Sally Noble Kidd
Sally Noble Kidd

12.00

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1986)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 1st day of April 19 98 by and between
Dorothy A. Noble, a widow

of PO Box 713, Pinedale, WY 82941, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, Wy 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

INITIAL

RECORDED June 24 1998 at 12:00 P
IN BOOK 188 A-4 PAGE 501
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See Exhibits "A" & "B" attached hereto and made a part hereof

267897

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 160.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from January 17, 1999 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the _____ Bank, at _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein, in like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Dorothy A. Noble

Dorothy A. Noble

SS# 520-28-7516

STATE OF WYOMING
COUNTY OF SUBLETTE } ss. INDIVIDUAL

On this 4th day of May, 19 98, before me personally appeared

Dorothy A. Noble, a widow

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she executed the same her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 4th day of May, 19 98.

My commission expires: My Commission expires Oct. 5, 2000

Notary Public for the State of Wyoming
residing at Cokeville Wyoming

STATE OF
COUNTY OF } ss. CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19 .

My commission expires:

Notary Public for the State of
residing at

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 1st day of April, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of April 1, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Dorothy A. Noble, a widow
LESSEE: Contex Energy Company
DATED: January 17, 1994, and recorded in Book 96, page 308 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $350.00 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $1,050.00, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding upon the benefit of the parties hereto, and their heirs, devises, representatives, successors assigns.

LESSOR:

Dorothy A. Noble

LESSEE:

BY:

Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated April 1, 1998, by and between Dorothy A. Noble, a widow, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

1. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read fifteen percent (15.00%) royalty.

2. Lessee shall have the right to unitize, pool or combine all or any part of land subject to this lease as to one or more of the formations thereunder with other lands in the same general area by entering into an agreement for the waterflooding or other recovery operations involving the introduction of extraneous forms of energy into any pool, repressurizing or pressure-maintenance operations, or recycling or recycling operations. The terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such agreement, and particularly all drilling and development requirements of such agreement, and this lease shall not terminate or expire during the life of such agreement. In the event the land described in this lease or any part thereof shall hereafter be operated under any such agreement, and the agreement provides for allocation of unitized production to different portions of the land covered by the agreement in accordance with a procedure set forth in the agreement, then the production allocated under the agreement to the lands covered by this lease, or any other part thereof, shall be, for the purpose of computing the royalties to be paid to lessor, regarded as having been produced from the particular tract of land to which it is allocated, and the royalty payments to be made shall be based upon production only as so allocated.

3. Subject to the other provisions herein contained, three years after the expiration of the primary term, this lease shall terminate as to all lands which are not located within a "drillsite spacing unit" (as hereinafter defined) in which there is located a producing well or well capable of producing on the leased premises or on lands pooled or unitized therewith. For purposes of this paragraph, a drillsite spacing unit is defined as the lands included in the drilling and production unit established for the well, or attributed to the well for spacing purposes by the governmental authority having jurisdiction. If at or within one hundred twenty (120) days prior to the expiration of the three year period after expiration of the primary term, lessee is engaged in drilling or reworking operations on the leased premises or on lands pooled or unitized therewith as heretofore provided, this provision shall be suspended for so long as Lessee continues such drilling or reworking operations with no cessation of more than one hundred twenty (120) consecutive days between completion or abandonment of such drilling or reworking operations on one well and the commencement of drilling or reworking operations on the next well. Lessee shall record a release as to all lands not covered by the accepted lands herein described.

4. In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 29th day of December, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

Dorothy A. Noble

12.00

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

267898

RECORDED June 24 1998 M 12:00P
IN BOOK 1108 ork PAGE 54
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, [illegible] By [illegible]

THIS AGREEMENT, made and entered into this 31st day of March

Margery J. Moran, a widow

of 1978 South Locust, Denver, CO 80224, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: INITIAL

See Exhibits "A" & "B" attached hereto and made a part hereof

M.J.M.

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 760.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from December 29, 1998 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the U.S. Bank, at 999 So. Monaco Pkwy., Denver, CO 80224 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

x Margery J. Moran

Margery J. Moran, a widow

SS # 520-20-6284

STATE OF Colorado
COUNTY OF City and Denver } ss.

INDIVIDUAL

On this 14th day of May, 19 98, before me personally appeared Margery J. Moran, a widow

to me known to be the person ____ described in, and who executed the foregoing instrument, and who acknowledged to me that ____S he ____ executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 14th day of May, 19 98.

My commission expires: MY COMMISSION EXPIRES 09/26/2001

JON M SANDERS
NOTARY PUBLIC
STATE OF COLORADO

Jon M Sanders

Notary Public for the State of Colorado
residing at 915 S. Lima St; Aurora CO 80012

STATE OF ____
COUNTY OF ____ } ss.

CORPORATE

On this ____ day of ____, 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.

Given under my hand and seal this ____ day of ____, 19 ____.

My commission expires:

Notary Public for the State of ____
residing at ____

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 31st day of March, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of March 31, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Margery J. Moran, a widow
LESSEE: Contex Energy Company
DATED: December 29, 1993, and recorded in Book 96, page 265 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $554.17 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $1,662.50, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

x Margery J. Moran
Margery J. Moran

LESSEE:

BY: Dennis A Randleman
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated March 31, 1998, by and between Margery J. Moran, a widow, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 24: SW1/4SW1/4
Section 25: W1/2
Section 26: NE1/4NE1/4
Section 35: NE1/4SE1/4
Section 36: W1/2
Sublette County, Wyoming

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 29th day of December, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x Margery J. Moran
Margery J. Moran

10.00

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1989)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 5th day of May 19 98 by and between
Helen L. Hopkins, also known as Helen Louise Hopkins, individually and as Trustee of The Helen L. Hopkins Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased
of 5542 South 1000 East, South Ogden, UT 84405, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. That lessor, for and in consideration of -Ten & 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

267899

RECORDED June 24 19 98 M 12:00 P
IN BOOK 108 I-A PAGE 58
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kate Pope

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 200.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ Five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the ✓ KEY Bank, at ✓ 3775 WALL AVE Ogden Ut 84405 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. While the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or this lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

~ Helen L Hopkins

Helen L. Hopkins, also known as Helen Louise Hopkins, individually & as Trustee of The Helen L. Hopkins Trust dated the 11th day of August, 1994, & as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased

SS# ~ 528-38-2900

STATE OF ~ UTAH
COUNTY OF ~ WEBER } ss. INDIVIDUAL

On this ~ 13TH day of ~ MAY, 19 98, before me personally appeared Helen L. Hopkins, also known as Helen Louise Hopkins, individually and as Trustee of The Helen L. Hopkins Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased
to me known to be the person ____ described in, and who executed the foregoing instrument, and who acknowledged to me that ____S__ he ____ executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this ~ 13TH day of ~ MAY, 19 98.

My commission expires:
~

JUDI MATHIS
NOTARY PUBLIC • STATE of UTAH
2595 HARRISON BLVD
OGDEN, UT 84403
COMM. EXP. 10-1-99

~ Judi Mathis
Notary Public for the State of ~ Utah
residing at ~ Weber County, UT

STATE OF ____
COUNTY OF ____ } ss. CORPORATE

On this ____ day of ____, 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.

Given under my hand and seal this ____ day of ____, 19 ____

My commission expires:

____

Notary Public for the State of ____
residing at ____

EXHIBIT "A"

Exhibit "A" attached hereto and made a part hereof that certain Oil & Gas Lease dated May 5th, 1998, by and between Helen L. Hopkins, also known as Helen Louise Hopkins, individually and as Trustee of the Helen L. Hopkins Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased, as Lessor(s), and Hanson & Strahn, Inc., as Lessee.

SUBLETTE COUNTY, WYOMING

Township 32 North, Range 114 West, 6th P.M.
Section 11: SW/4 SW/4
Section 14: W/2 NE/4, SE/4 NE/4, SE/4 NW/4,

Containing 200.0000 gross acres, more or less.

In the event this lease is not continued beyond its primary term by the provisions herein contained, lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the expiration date of the primary term of the lease, and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, a net sum of Forty-five Dollars per net mineral acre, ($45.00), on or before the expiration date of the primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of eight (8) years.

Executed this 5th day of May, 1998.

Helen L Hopkins

Helen L. Hopkins, also known as Helen Louise Hopkins, individually and as Trustee of the Helen L. Hopkins Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased

[redacted] [redacted] [redacted]

10.00

Producers 88
Rocky Mountain 1999
(Paid-Up Rev. 1999)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 5th day of May 19 98 by and between Gordon H. Brown & Patricia H. Brown, also known as Patricia Kathleen Hopkins Brown, individually and as Trustee of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heirs of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased of 5542 South 1000 East, South, Ogden, UT 84405, hereinafter called lessor (whether one or more), and Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. That lessor, for and in consideration of -Ten & 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

267300

RECORDED June 24 1998 M 12:00P
IN BOOK 108 PAGE 61
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shelia Pape

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 200.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of Five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the ✓ Key Bank, at ✓ 3775 Wall Ave. Ogden Ut. 84405 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on the land covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom and whether or not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. If the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or this lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Gordon H. Brown, individually and as Trustee of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased

SS# 529 20 2243

Patricia H. Brown, also known as Patricia Kathleen Hopkins Brown, individually and as Trustee of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased

SS# 529-46-2549

INDIVIDUAL

STATE OF UTAH
COUNTY OF WEBER } ss.

On this 13th day of May 19 98, before me personally appeared Gordon H. Brown and Patricia H. Brown, also known as Patricia Kathleen Hopkins Brown, individually and as Trustees of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heirs of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased
to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that t he y executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 13TH day of May, 19 98.

My commission expires:

JUDI MATHIS
NOTARY PUBLIC • STATE OF UTAH
2055 HARRISON BLVD
OGDEN, UT 84403
COMM. EXP. 10-1-99

Judi Mathis
Notary Public for the State of Utah
residing at Weber County Ut

STATE OF _____
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

_____

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Exhibit "A" attached hereto and made a part hereof that certain Oil & Gas Lease dated May 5th, 1998, by and between Gordon H. Brown & Patricia H. Brown, also known as Patricia Kathleen Hopkins Brown, individually and as Trustees of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heirs of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased, as Lessor(s), and Hanson & Strahn, Inc., as Lessee.

SUBLETTE COUNTY, WYOMING

Township 32 North, Range 114 West, 6th P.M.
Section 11: SW/4 SW/4
Section 14: W/2 NE/4, SE/4 NE/4, SE/4 NW/4,

Containing 200.0000 gross acres, more or less.

In the event this lease is not continued beyond its primary term by the provisions herein contained, lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the expiration date of the primary term of the lease, and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, a net sum of Forty-five Dollars per net mineral acre, ($45.00), on or before the expiration date of the primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of eight (8) years.

Executed this 5th day of May, 1998.

Gordon H. Brown, individually and as Trustee of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased

Patricia H. Brown, aka - Patricia Kathleen Hopkins Brown, individually and as Trustee of The Gordon & Patricia Brown Family Trust dated the 11th day of August, 1994, and as heir of the Estate of Howard P. Hopkins, also known as Howard Phillip Hopkins, deceased

RATIFICATION OF OIL AND GAS LEASE

Billings Blue Print
Billings, Montana

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 David Vereen Jessop

, do

hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 1st day of April, 19 98, between Colleen Haviland, formerly known as Colleen Noble, a widow,

as lessor s and Hanson & Strahn, Inc.,

as lessee, covering all of that certain tract of land situate in the county of Sublette,

State of Wyoming, described as follows:

Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

267901

RECORDED June 24 19 98 12:00 PM
IN BOOK 108 of R PAGE 64
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kyle Pope

and do es 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

, 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 May, 1998.

x David Vereen Jessop
David Vereen Jessop

[redacted] [redacted] [redacted]

ACKNOWLEDGMENTS

STATE OF Idaho }
COUNTY OF Caribou } SS.

(INDIVIDUAL) (Wyoming)

On this 7th day of May, 1998, before me personally appeared David Vereen Jessop

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that he executed the same as his free act and deed, including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and effect of signing and acknowledging the said instrument.

Given under my hand and seal this 7th day of May, 1998

My commission expires: 10-23-98

Notary Public.

Residing at Grace, Idaho

STATE OF _____ }
COUNTY OF _____ } SS.

(INDIVIDUAL) (Montana, Colorado, North Dakota, South Dakota)

On this _____ day of _____, in the year 19____, before me, _____, a Notary Public,

personally appeared _____

known to me to be the person whose name subscribed to the within instrument, and acknowledged to me that executed the same.

My commission expires: _____

Notary Public.

Residing at _____

RATIFICATION OF OIL AND GAS LEASE

No.

FROM

TO

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

County Clerk.

By ___, Deputy

When recorded return to

STATE OF _____ }
COUNTY OF _____ } SS.

(CORPORATE) (Wyoming, Montana, Colorado, North Dakota, South Dakota)

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 (or Secretary) 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.

Given under my hand and seal this _____ day of _____, 19____

My commission expires: _____

Notary Public.

Residing at _____

8.00

Hugo Blue Print
Billings, Montana

RATIFICATION OF OIL AND GAS LEASE

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 Kelly Don Noble

, do

hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 1st day of April

19 98, between Colleen Haviland, formerly known as Colleen Noble, a widow

as lessor s and Hanson & Strahn, Inc.

as lessee, covering all of that certain tract of land situate in the county of Sublette

State of Wyoming, described as follows:

Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

267902

RECORDED June 24 1998 12:00P M
IN BOOK 108 A & L PAGE 66
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kathy Pope

and do es 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

successors, administrators or assigns, as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 11 day of May, 1998.

x Kelly Noble
Kelly Don Noble

ACKNOWLEDGMENTS

STATE OF Utah }
COUNTY OF Carbon } SS.

(INDIVIDUAL) (Wyoming)

On this 11th day of May, 1998, before me personally appeared Kelly Don Noble

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that he executed the same as free act and deed, including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and effect of signing and acknowledging the said instrument.

Given under my hand and seal this 11th day of May, 1998

My commission expires: 10-13-99

Dawn C. Thomas
NOTARY PUBLIC.

Residing at Price

STATE OF _____ }
COUNTY OF _____ } SS.

(INDIVIDUAL) (Montana, Colorado, North Dakota, South Dakota)

On this _____ day of _____, in the year 19____, before me, _____, a Notary Public,

personally appeared _____

known to me to be the person whose name subscribed to the within instrument, and acknowledged to me that executed the same.

My commission expires: _____

NOTARY PUBLIC.

Residing at _____

No.

RATIFICATION OF OIL AND GAS LEASE

FROM

TO

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

County Clerk.

By ____, Deputy

When recorded return to

STATE OF _____ }
COUNTY OF _____ } SS.

(CORPORATE) (Wyoming, Montana, Colorado, North Dakota, South Dakota)

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 (or Secretary) 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.

Given under my hand and seal this _____ day of _____, 19____

My commission expires: _____

NOTARY PUBLIC.

Residing at _____

RATIFICATION OF OIL AND GAS LEASE

Billings Blue Print
Billings, Montana

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 Cindy Jessop Spencer, aka Cindy Spencer, do hereby ratify, adopt and confirm in all respects an oil and gas lease dated the 1st day of April, 1998, between Colleen Haviland, formerly known as Colleen Noble, a widow, as lessor s, and Hanson & Strahn, Inc., as lessee, covering all of that certain tract of land situate in the county of Sublette, State of Wyoming, described as follows:

Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

267903

RECORDED June 24 1998 12:00 PM
IN BOOK 108 O&G PAGE 68
FEES $ 8.00 M. L. [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Stacie Pape

and do es 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

their successors, administrators or assigns, as provided in the lease above referred to.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 12th day of May, 1998.

x Cindy Jessop Spencer
Cindy Jessop Spencer, aka Cindy Spencer

STATE OF IDAHO
NOTARY PUBLIC

[redacted] [redacted] [redacted]

ACKNOWLEDGMENTS

STATE OF Idaho }
COUNTY OF Caribou } SS.

(INDIVIDUAL) (Wyoming)

On this 12th day of May, 19 98, before me personally appeared Cindy Jeasop Spencer, aka Cindy Spencer,

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that he executed the same as free act and deed, including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and effect of signing and acknowledging the said instrument.

Given under my hand and seal this 12th day of May, 19 98

My commission expires: 04-01-2003

Paulene L. Miller
NOTARY PUBLIC.

Residing at Grace Idaho

STATE OF _____ }
COUNTY OF _____ } SS.

(INDIVIDUAL) (Montana, Colorado, North Dakota, South Dakota)

On this _____ day of _____, in the year 19____, before me, _____, a Notary Public, personally appeared _____

known to me to be the person whose name subscribed to the within instrument, and acknowledged to me that executed the same.

My commission expires: _____

_____
NOTARY PUBLIC.

Residing at _____

No. _____

RATIFICATION OF OIL AND GAS LEASE

FROM

TO

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

County Clerk

By _____, Deputy

When recorded return to

STATE OF _____ }
COUNTY OF _____ } SS.

(CORPORATE) (Wyoming, Montana, Colorado, North Dakota, South Dakota)

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 (or Secretary) 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.

Given under my hand and seal this _____ day of _____, 19____

My commission expires: _____

_____
NOTARY PUBLIC.

Residing at _____

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May 19 98 by and between
Marjorie Brawley, a widow

of PO Box 86, LaBarge, WY 83123, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. That lessor, for and in consideration of -Ten & 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

267904

RECORDED June 24 1998 M 12:00P
IN BOOK 108 Misc PAGE 70
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING By Shelli Page

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as the specifically described lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 80.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~three (3)~~ Five (5) years from the date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Community First National Bank, at 440 Budd Avenue, Big Piney, WY 83113 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

✓ Marjorie Brawley

Marjorie Brawley, a widow
SS# ✓ 560-38-3927

STATE OF Wyoming
COUNTY OF ✓ Sublette } ss.

INDIVIDUAL

On this 6th day of May, 19 98, before me personally appeared Marjorie Brawley, a widow

to me known to be the person ___ described in, and who executed the foregoing instrument, and who acknowledged to me that ___S___ he ___ executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 6th day of May, 19 98.

My commission expires:
✓ 2-2-2000

JOYCE J. JOHNSON - NOTARY PUBLIC
County of Sublette — State of Wyoming
My Commission Expires February 2, 2000

✓ Joyce J. Johnson
Notary Public for the State of ✓ Wyoming
residing at ✓ Big Piney Sublette County

STATE OF ___
COUNTY OF ___ } ss.

CORPORATE

On this ___ day of ___, 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.

Given under my hand and seal this ___ day of ___, 19 ___.

My commission expires:

Notary Public for the State of ___
residing at ___

EXHIBIT "A"

Exhibit "A" attached hereto and made a part hereof that certain Oil & Gas Lease dated May 6th, 1998, by and between Marjorie Brawley, a widow, as Lesson(s), and Hanson & Strahn, Inc., as Lessee.

SUBLETTE COUNTY, WYOMING

Township 28 North, Range 112 West, 6th P.M.
Section 11: SE/4 SW/4
Section 14: NE/4 NW/4

Containing 80.0000 gross acres, more or less.

1: It is understood and agreed between the parties hereto, that wherever the term one-eighth (1/8th) appears in the subject oil & gas lease, it shall by this reference be amended to read fifteen percent, (15%).

2: In the event this lease is not continued beyond its primary term by the provisions herein contained, lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the expiration date of the primary term of the lease, and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, a net sum of Forty-five Dollars per net mineral acre, ($45.00), on or before the expiration date of the primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of eight (8) years.

Executed this 6th day of May, 1998.

Marjorie Brawley

Marjorie Brawley, a widow

Producers 88
Rocky Mountain 1998
(Paid-Up Rev. 1998)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May 19 98 by and between
Aaron H. McGinnis and Caroline B. McGinnis, individually and as husband & wife

314 Fontenelle Road, Kemmerer, WY 83013
of , hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003
, hereinafter called lessee:

WITNESSETH:

1. That lessor, for and in consideration of -Ten & 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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 described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

267905

RECORDED June 24 1998 M 12:00P
IN BOOK 188 A&R PAGE 73
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shirley Rupp

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 80.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ Five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Community First National Bank, at Kemmerer, WY 83013 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Aaron H. McGinnis
SS# 520-12-6078

Caroline B. McGinnis
SS# 530-03-7947

STATE OF Wyoming
COUNTY OF Lincoln } ss. INDIVIDUAL

On this 16th day of May, 19 98, before me personally appeared Aaron H. McGinnis and Caroline B. McGinnis, individually and as husband & wife

to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that t he y executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 16th day of May, 19 98.

My commission expires: 11-16-99

Stacy A. Werner
Notary Public
Lincoln County, WY
My Commission Expires
Nov. 16, 1999

Notary Public for the State of Wyoming
residing at Kemmerer, WY

STATE OF _____
COUNTY OF _____ } ss. CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Exhibit "A" attached hereto and made a part hereof that certain Oil & Gas Lease dated May 6th, 1998, by and between Aaron H. McGinnis and Caroline B. McGinnis, individually and as husband and wife, as Lessor(s), and Hanson & Strahn, Inc., as Lessee.

SUBLETTE COUNTY, WYOMING

Township 28 North, Range 112 West, 6th P.M.
Section 11: SE/4 SW/4
Section 14: NE/4 NW/4

Containing 80.0000 gross acres, more or less.

1: It is understood and agreed between the parties hereto, that wherever the term one-eighth (1/8th) appears in the subject oil & gas lease, it shall by this reference be amended to read fifteen percent, (15%).

2: In the event this lease is not continued beyond its primary term by the provisions herein contained, lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the expiration date of the primary term of the lease, and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, a net sum of Forty-five Dollars per net mineral acre, ($45.00), on or before the expiration date of the primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of eight (8) years.

Executed this 6th day of May, 1998.

Aaron H. McGinnis

Caroline B. McGinnis

76

ASSIGNMENT OF INTEREST

THIS ASSIGNMENT, made this 22nd day of June, 1998, is entered into by and between Jean M. May and Raymond T. May, husband and wife, whose address is 1606 Frances Ave., # 4, Pleasanton, Texas 78064, hereinafter referred to collectively as **Assignor**, and Robert R. May, a single man, 1606 Frances Ave., # 4, Pleasanton, Texas 78064, hereinafter referred to as **Assignee**.

WHEREAS, the Assignor is the owner of certain interests in oil and gas leases issued by the United States of America, and wishes to transfer such interests.

THEREFORE, for and in consideration of the sum of Ten Dollars ($10.00), and other good and valuable consideration, receipt of which is hereby acknowledged, Assignor hereby conveys, assigns, transfers and sets over to Assignee all of the right, title and interest in and to any oil and gas leases issued by the United States of America or the State of Wyoming, and any rentals, royalty interests, overriding royalty interests, working interests, and all interests in production from such leases or any other interest owned by Jean M. May, specifically, but not limited to, all of Jean M. May's right, title and interest in and to all oil and gas leases and all oil and gas or other hydrocarbon production from such leases issued by the United States of America or the State of Wyoming, as the case may be, on the following described properties:

Township 28 North, Range 113 West, Sublette County, Wyoming
Section 18: NESE

Executed this 22 day of June, 1998.

Jean M. May
Jean M. May

Raymond T. May
Raymond T. May

STATE OF TEXAS)
) SS:
COUNTY OF ATASCOSA)

BEFORE ME, the undersigned authority, an officer duly authorized in the state and county aforesaid to take acknowledgments, personally appeared Jean M. May and Raymond T. May, a married couple, to me well known to be the individuals who executed the foregoing instrument, and they acknowledged before me that they did execute same, freely and voluntarily and for the purpose therein expressed.

SWORN TO AND SUBSCRIBED before me this 22 day of June, 1998.

NOTARY PUBLIC STATE OF TEXAS
KARON SOWARD
Notary Public, State of Texas
My Commission Expires 01-11-2001

Karon Soward
NOTARY PUBLIC, State of Texas

My commission expires: 1-11-2001

267936

RECORDED June 26 1998 10:35 AM
IN BOOK 108 D-6 PAGE 76
FEES $ 6.00 M L LVD COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

By Barbi Pape

After recording, please remit to:
Robert May
1606 Frances Ave., # 4
Pleasanton, TX 78064

[redacted] [redacted] [redacted]

STATE OF WYOMING §§§
COUNTY OF SUBLETTE

RECORDED June 29, 1998 3:02 PM
IN BOOK 108 OR 6 PAGE 77
FEES $ 14.00 M. L. Lytle COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

267967

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, effective as of 7:00 A.M. at the location of the Properties on March 1, 1998 ("Effective Time") is between **BRISTOL RESOURCES CORPORATION**, an Oklahoma corporation, whose address is 6655 South Lewis, Suite 200, Tulsa, Oklahoma 74136, and **BRISTOL RESOURCES 1994 ACQUISITION LIMITED PARTNERSHIP**, an Oklahoma limited partnership, whose address is 6655 South Lewis, Suite 200, Tulsa, Oklahoma 74136, and **BRISTOL RESOURCES PRODUCTION COMPANY, L.L.C.**, a Delaware limited liability company, whose address is 6655 South Lewis, Suite 200, Tulsa, Oklahoma 74136, ("Assignor") and **STAGHORN RESOURCES, LLC**, a New Jersey corporation, ("Assignee") with an office address of 406 South Boulder, Suite 800, Tulsa, Oklahoma 74103.

STAGHORN RESOURCES, LLC
406 S. BOULDER, SUITE 800
TULSA, OK 74103

RECITALS

1. Assignor owns an interest in the oil and gas leases described on Exhibit "A" (the "Leases"), together with the oil and gas wells located thereon or pooled therewith (the "Wells").

2. Assignor owns an interest in certain personal property, equipment and fixtures located on or about the Leases and used in connection with operation of the Leases (the "Equipment"). The Equipment shall not include any tools, or other equipment temporarily located on the Leases.

3. Assignors' interest in the Leases is benefited and burdened by rights and obligations existing under certain contracts and agreements (the "Contracts"), including, but not limited to, operating agreements, unitization agreements, pooling agreements, declarations of pooling or utization, farm out agreements, rights-of-way, easements, surface agreements, assignments, gas sale contracts and gas processing contracts.

4. Assignor is entitled to receive oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, other minerals and the accounts and proceeds from the sale of all of the foregoing (the "Production") under the terms of the Leases and the Contracts.

5. Assignor maintains files, records, data, including geophysical and seismic data and other documentary information regarding the Leases, the Wells, the Equipment, the Contracts and the Production (the"Data"). The Data shall not include any confidential information which, if disclosed, would cause Assignor to breach any contract or agreement.

The Leases, Wells, Equipment, Contracts, Production and Data are all collectively referred to as the "Properties".

6. Assignor agrees to assign all right, title and interest of Assignor in the Properties to Assignee.

ASSIGNMENT

For One Hundred Dollars (US$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, transfers, conveys and assigns to Assignee, all of Assignors' right, title and interest in and to the Properties, to have and to hold unto Assignee, its successors and assigns, forever.

This Assignment and Bill of Sale is made without warranty of title, either express or implied, except by, through and under Assignor's own acts, but to the extent so transferable, with full right of substitution and subrogation of Assignee in all prior representations, contracts, covenants and warranties given or made by Assignor's predecessors in title with respect to the

interest herein assigned. This Assignment and Bill of Sale is made and accepted subject to all burdens, encumbrances, contracts and agreements which are of record to the extent that same are in force and effect and affect the Properties. This Assignment and Bill of Sale is made subject to the terms and provisions of that certain Sale Agreement dated April 30, 1998, between Assignor and Assignee.

IT IS UNDERSTOOD AND AGREED THAT ASSIGNEE HAS INSPECTED THE WELLS, LEASES, EQUIPMENT AND PRODUCTION AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, AND THAT ASSIGNEE ACCEPTS ALL OF THE WELLS, LEASES, EQUIPMENT AND PRODUCTION IN THEIR "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION WITHOUT ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED AS TO QUALITY, MERCHANTABILITY, OR FITNESS FOR ANY USE WHATSOEVER.

ASSIGNEE SHALL (I) ASSUME ALL LIABILITY AND COSTS WITH REGARD TO THE LEASES, EQUIPMENT, AND PRODUCTION CONTAINING HAZARDOUS MATERIALS, INCLUDING, BUT NOT LIMITED TO, NATURALLY OCCURRING RADIOACTIVE MATERIAL (NORM), NOT BEING IN COMPLIANCE WITH APPLICABLE ENVIRONMENTAL LAWS OR PERMITS AND THE EXISTENCE OR PRESENCE OF ADVERSE PHYSICAL CONDITIONS, INCLUDING, BUT NOT LIMITED TO, UNKNOWN OR ABANDONED OIL AND GAS WELLS, WATER WELLS, SUMPS AND PIPELINES THAT MAY NOT HAVE BEEN REVEALED BY ASSIGNEE'S INVESTIGATION; (II) COMPLY WITH ALL LAWS AND GOVERNMENTAL REGULATIONS WITH RESPECT TO ALL OPERATIONS ON THE LEASES, INCLUDING ABANDONMENT OF WELLS, THE COMPLIANCE WITH LAWS OR RULES REGARDING THE ENVIRONMENT AND REGARDING INACTIVE OR UNPLUGGED WELLS, INCLUDING BONDING REQUIREMENTS, AND SURFACE WORK AS SPECIFIED IN THE LEASES OR APPLICABLE LAW OR REGULATION; AND (III) HEREBY EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD ASSIGNOR AND ITS EMPLOYEES FREE AND HARMLESS FROM AND AGAINST ANY AND ALL COSTS, EXPENSES, CLAIMS, DEMANDS, LITIGATION COSTS, ATTORNEYS FEES, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER ARISING OUT OF, INCIDENT TO, OR IN CONNECTION WITH THE PROPERTIES, INCLUDING PLUGGING REQUIREMENTS AND BONDING REQUIREMENTS, WHETHER EXISTING BEFORE OR AFTER THE EFFECTIVE TIME.

IN WITNESS WHEREOF, the Assignor and Assignee have caused this Agreement and Bill of Sale to be executed on the date of their respective acknowledgments set forth below, to be effective, however, as of the Effective Time.

ASSIGNOR:

BRISTOL RESOURCES CORPORATION

John M. Cherry, President

BRISTOL RESOURCES 1994 LIMITED PARTNERSHIP
By: Bristol Resources Corporation, General Partner

John M. Cherry, President

BRISTOL RESOURCES PRODUCTION COMPANY, L.L.C.
By: Bristol Resources Corporation, Manager

John M. Cherry, President

ASSIGNEE:

BRISTOL RESOURCES CORPORATION

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

STAGHORN RESOURCES, LLC

Karen Reed, Vice President

STATE OF OKLAHOMA §
§
COUNTY OF TULSA §

This instrument was acknowledged before me the 17th day of June 1998 by John M. Cherry as President of BRISTOL RESOURCES CORPORATION.

Notary Public, State of Oklahoma
Printed Name: Carol W. Fehrenbacher
Commission Expires: 1/21/2001

STATE OF OKLAHOMA §
§
COUNTY OF TULSA §

This instrument was acknowledged before me the 17th day of June 1998 by John M. Cherry as President of BRISTOL RESOURCES CORPORATION, as General Partner of Bristol Resources 1994 Acquisition Limited Partnership.

Notary Public, State of Oklahoma
Printed Name: Carol W. Fehrenbacher
Commission Expires: 1/21/2001

STATE OF OKLAHOMA §
§
COUNTY OF TULSA §

This instrument was acknowledged before me the 17th day of June 1998 by John M. Cherry as President of BRISTOL RESOURCES CORPORATION, as Manager of Bristol Resources Production Company, L.L.C., a Delaware limited liability company.

Notary Public, State of Oklahoma
Printed Name: Carol W. Fehrenbacher
Commission Expires: 1/21/2001

STATE OF OK §
§
COUNTY OF Dewey §

This instrument was acknowledged before me on the 18th day of June 1998, by Karen Reed, Vice President of STAGHORN RESOURCES, LLC, a New Jersey corporation, on behalf of said corporation.

Notary Public, State of
Printed Name: Carol W. Fehrenbacher
Commission Expires: 1/21/2001

AttBOS-STAGHORN-EXB-TX.doc
06/05/98

BRISTOL RESOURCES CORPORATION

EXHIBIT "A"

LEASE # / TRACT #	LESSOR	LESSEE	DATE	RIGHTS	RECORDING BOOK/PAGE
STATE : WY					
COUNTY : SUBLETTE					
121033	USA W-54914	RAINBOW RESOURCES, INC	6/1/76	O/G	BK 54 PG 368
WY5302 01	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0023 SW/4				
121034	USA W-61473	RAINBOW RESOURCES, INC	1/1/78	O/G	
WY5302 01	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0023 S/2 SE/4				
WY5302 02	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0024 SE/4 NW/4, E/2SW/4				
121035	USA W-58304	R W ROBBINS	4/1/77	O/G	BK 54 PG 566
WY5302 01	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0023 N/2SE/4				BK 54 PG 566
WY5302 02	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0023 NE/4				
121036	USA W-67178	PHYLLIS HANSON	4/1/75	O/G	
WY5302 01	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0001 LOTS 3 (40.12), 4 (40.16), S/2NW/4				
WY5302 02	BIRD CANYON Twp / Ar / Ral: 027N Rng / Blk: 112W Sec / Abs / Sec: 0001 LOTS 1 (40.02), 2 (40.04), S/2NE/4				

Bird Canyon Federal 1-23

80

[redacted] [redacted] [redacted]

EXHIBIT "A-1"

SUBLETTE COUNTY, WYOMING:

BIRD CANYON FEDERAL 1-23

82

ASSIGNMENT OF OIL AND GAS LEASES

THIS ASSIGNMENT dated effective as of January 8, 1997, is from ULTRA PETROLEUM CORP., whose address is 609 West Hastings Street, Suite 1100, Vancouver, B.C., Canada, V6B4W4, (hereinafter referred to as "Assignor"), to ULTRA RESOURCES, INC., whose address is 304 Inverness Way South, Suite 295, Englewood, CO 80110, (hereinafter referred to as "Assignee").

FOR AND IN CONSIDERATION OF THE SUM OF ONE DOLLARS ($1.00) and other good and valuable consideration in hand paid, the receipt and sufficiency of which hereby are acknowledged by Assignor, Assignor hereby transfers, grants, bargains, sells, conveys, and assigns to Assignee all of Assignor's right, title and interest in and to those certain oil, gas and mineral leases listed and described in Exhibit "A", attached hereto and made a part hereof, said leases covering lands situated in Sublette County, Wyoming.

THIS ASSIGNMENT shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns and subject to that certain letter agreement dated November 8, 1996, by and between Ultra Petroleum Corp. and Energy Investments, Inc.

TO HAVE AND TO HOLD the herein described premises, together with the proportionate part of the rights and appurtenances thereto in anywise belonging unto said Assignee, its successors and assigns, subject to all the terms, conditions, limitations and covenants of the aforesaid oil and gas leases, and without warranty of title, express or implied.

EXECUTED this 25th day of June, 1998, TO BE EFFECTIVE for all purposes as of the date first above written.

ASSIGNOR:

ULTRA PETROLEUM CORP.

R. G. "Jerry" Albertus, President

ASSIGNEE:

ULTRA RESOURCES, INC.

Charlotte H. Kauffman, Attorney-in-Fact

267972

RECORDED June 29 1998 4:00pm
IN BOOK 108 046 PAGE 82
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Soden

STATE OF COLORADO)
) ss
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 25th day of June, 1998, by R. G. "Jerry" Albertus, President of ULTRA PETROLEUM CORP., on behalf of said corporation, by authority of its Board of Directors.

Witness my hand and official seal.

NOTARY PUBLIC

My Commission expires: MY COMMISSION EXPIRES MARCH 17, 2000

STATE OF COLORADO)
) ss
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 25th day of June, 1998, by CHAROLETTE H. KAUFFMAN, Attorney-in-fact for ULTRA RESOURCES, INC., on behalf of said corporation, by authority of its Board of Directors.

Witness my hand and official seal.

NOTARY PUBLIC

My Commission expires: MY COMMISSION EXPIRES MARCH 17, 2000

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 600 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

[redacted] [redacted] [redacted]

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

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

86

ASSIGNMENT OF OVERRIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS, That Burton G. Lowe, a married man dealing in his sole property, of 8633 East Paradiso Drive Scottsdale, Arizona 85255

Assignor (whether one or more) for the sum of Ten Dollars ($10.00) and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged, does hereby convey, transfer, assign, and deliver without warranty, express or implied, overriding royalty unto the following party (parties) in the amounts shown:

NAME	ADDRESS	PERCENTAGE
David Family Oil and Gas Partnership	P. O. Box 1497 Cheyenne, Wyoming 82003-1497	1/4%
Blu-Chip Resources, LLC	P. O. Box 504 Cheyenne, Wyoming 82003-0504	1/4%
George Dolezal, Jr.	518 - 17th Street Suite 914 Denver, Colorado 80202	1/4%

Being in all a total of an undivided 3/4ths of 1% or 8/8ths overriding royalty on all of the oil, gas and other hydrocarbon substances that may be produced, saved and marketed from Federal Oil and Gas Lease WYW-118324, dated 12/1/89, covering the following described lands situated in Sublette County, State of Wyoming:

Township 28 North, Range 107 West, 6th P. M.
Section 31: Lots 1,2,3,4, E½W½, E½
Section 32: All
containing 1,269.67 acres, m/l.

26805

RECORDED July 7, 1998 10:35AM
IN BOOK 108 OR 3 PAGE 86
FEES $16.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sachse

Date: Jan 24 1998

Burton G. Lowe
Assignor Burton G. Lowe

Assignor

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me by Burton G. Lowe

this 24th day of Jan, 1998.

WITNESS my hand and Official Seal.

My Commission Expires:

Tracy M. Druzisky
NOTARY PUBLIC

OFFICIAL SEAL
TRACY M. DRUZISKY
Notary Public-State of Arizona
MARICOPA COUNTY
My Comm. Expires April 29,2001

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS

That, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HS RESOURCES, INC. a Delaware corporation with offices at 1999 Broadway, Suite 3600, Denver, Colorado 80202 (herein called "Assignor"), does hereby grant, bargain, sell, assign, transfer and convey unto, HOLMES P. MCLISH with offices at 910 First Interstate Tower North, 633 Seventeenth Street, Denver, CO 80202 (herein called "Assignee"), an undivided 40% of Assignors right, title and interest in and to the leases on Exhibit 'A', insofar and only insofar as said Leases cover the described lands located in Sublette County, Wyoming, subject to any restrictions, exceptions, reservations, conditions, limitations, burdens, contracts, agreements and other matters applicable to such leases and interests;

This Assignment is made subject to all the terms, covenants and conditions, express or implied, of the Leases. To the extent of the interests hereby assigned, Assignee hereby assumes and agrees to perform all terms, covenants and conditions with respect to the lands and Leases conveyed hereby;

All terms, covenants and conditions contained herein shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors or assigns, and such terms, covenants and conditions shall be covenants running with the lands herein described.

THIS ASSIGNMENT IS MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED.

Executed this 28th day of May 1998, but effective as of January 6, 1998.

Assignor:

HS RESOURCES, INC.

Janet W. Pasque
Janet W. Pasque
Attorney-in-fact

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

The foregoing instrument was acknowledged before me this 28th day of May, 1998, by Janet W. Pasque as Attorney-in-Fact for HS RESOURCES, INC., a Delaware corporation, on behalf of that corporation.

Witness my hand and official seal.

PATRICIA A. COWGER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 3/10/2002

Patricia A. Cowger
Notary Public: Patricia A. Cowger
Address: 1999 Broadway, Suite 3600
Denver, CO 80202

268061

RECORDED July 7, 1998 11:00AM
BOOK 108 Oil & Gas PAGE 87
$ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Scott July 28, 1998 10:28am

h:\transfer\land\forms\assign1.mas

EXHIBIT 'A'

Attached to, and made a part of, the Assignment of Oil and Gas Leases, dated May 28, 1998,
but effective as of January 6, 1998, by and between HS Resources, Inc. and Holmes P. McIish.

				RECORDING INFORMATION					
LEASE NO.	LESSOR	LSE DATE	TERM	BOOK	PAGE	TWP	RGE	SEC	DESCRIPTION
WY-000201-001	BERTONCELJ, MAY ALICE AND PETER J., W&H	11/08/97	5 YRS	106	99	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L
WY-000201-002	COLE, ELLEN	11/08/97	5 YRS	106	103	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L
WY-000201-003	CANTLIN, ELMA, A WIDOW	11/08/97	5 YRS	106	101	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L
WY-000201-004	REAVELEY, ELMER AND NORMA, H & W	11/08/97	5 YRS	106	97	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L
WY-000201-005	MILBURN, ALICE AND WAYNE, W & H	11/08/97	5 YRS	106	179	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L
WY-000201-006	CAREY, LOUISE	11/08/97	5 YRS	106	210	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L
WY-000201-007	ALLEN, PAUL	11/08/97	5 YRS	106	177	33N	109W	5 6	LOT 4(39.72) AND SW/4NW/4 LOT 4(39.77) AND SE/4NE/4 CONTAINING 159.49 ACS, M/L

EXHIBIT 'A'

Attached to, and made a part of, the Assignment of Oil and Gas Leases, dated May 28, 1998,
but effective as of January 6, 1998, by and between HS Resources, Inc. and Holmes P. McIlish.

				RECORDING INFORMATION					
LEASE NO.	LESSOR	LSE DATE	TERM	BOOK	PAGE	TWP	RGE	SEC	DESCRIPTION
WY-000202-001	STEELE, MARK O. AND TERRY D., H & W	11/13/97	5 YRS	106	86	34N	109W	30	LOT 4(34.00), E/2SW/4, NW/4SE/4, AND A TRACT OF LAND IN THE SW/4SE/4
								31	LOTS 1(34.13) AND 2(34.26), E/2NW/4, AND A TRACT OF LAND IN THE NE/4
						34N	110W	25	SE/4SE/4 CONTAINING 500.42 ACS, M/L
WY-000202-002	REINWALD, NANCY	12/05/97	5 YRS	106	277	34N	109W	30	A TRACT OF LAND IN THE SW/4SE/4
								31	A TRACT OF LAND IN THE NE/4 CONTAINING 158.03 ACS, M/L
WY-000202-003	JOHNSEN, SALLY, AKA SALLY JOHNSON	12/05/97	5 YRS	106	282	34N	109W	30	A TRACT OF LAND IN THE SW/4SE/4
								31	A TRACT OF LAND IN THE NE/4 CONTAINING 158.03 ACS, M/L
WY-000203-000	ANDERSON, LESTER WILLIAM & GRACE BODIL ANDERSON, TRUSTEES OF THE TALLI ROSE MANNING TRUST	11/14/97	5 YRS	106	232	34N	109W	32	E/2NW/4, SW/4NW/4, NW/4NE/4/LESS A FOUR ACRE TRACT DESCRIBED BY METES AND BOUNDS CONTAINING 156.00 ACS, M/L

ALL IN SUBLETTE COUNTY, WYOMING

END OF EXHIBIT 'A'

LEASE NO.: 94-00294
PARCEL NO.: 375
FUND: Common School

Form Approved by the Board
and Effective March 1, 1992

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:

Cenex, 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:

600.00 NW¼NE¼;S½NE¼;NW¼;S½ Section 36, Twp. 33 N., Rg. 109 W., 6th P.M.

County: Sublette Total Acres: 600.00 Advance Rental $: 600.00
($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, than 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 June, 1994 A.D.

LESSOR, STATE OF WYOMING, Acting by and through its Board of Land Commissioners.

By: Howard M. Johnson
Director,
State Land and Farm Loan Office

CERTIFICATE
I Certify that this is a True and Comparative copy of the Official Record on file in the Wyoming State Land Office.
June 26, 1998
Date
Director State Land and Farm Loan Office

CENEX, Inc.

LESSEE: J. R. Keating
J. R. Keating, Vice President

Address: P.O. Box 80770

City: Billings State: MT Zip: 59108

Telephone No. (406) 655-6200

268066

RECORDED July 7 1998 M 4:30 p
IN BOOK 108 ONE PAGE 90
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scotton

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 lessee enters 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 State Land and Farm Loan Office, 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 sulphur, bromine, sulphur, chlorine, carbon dioxide, and helium, on 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 so 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 State Land and Farm Loan Office, 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 conserving 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 said 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 exact 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 prescribed 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 State Land and Farm Loan Office 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 conserving 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, pooling, or otherwise affecting the actual production from said land shall be entered into by the lessee, nor shall the lessee limit, restrict, or prevent the actual 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 strata or coals 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 replacing and recompacting 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 State Land and Farm Loan Office whom 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 Commissioners 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 execution of this lease, the surface lands hereunder 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, so 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 consent 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(c)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 61st day and the wells thereon shall have been placed in condition acceptable to lessor and shall be 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 reinstatement of the relinquished lands may not be reinstated.

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1989)

PAID-UP
OIL AND GAS LEASE

RECORDED July 8 1998 M 8:45a
IN BOOK 104 PAGE 92
FEES $12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sorkin

268074

THIS AGREEMENT, made and entered into this 1st day of April 19 98 by and between

Robert Charles Noble, also known as Robert C. Noble, and Arlene R. Noble, individually and as husband and wife

of Box 39501, Ninilchik, AK 99639, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, Wy 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: INITIAL

RCW
ARW

See Exhibits "A" & "B" attached hereto and made a part hereof

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 160.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from January 17, 1999 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the National Bank of Alaska, Branch #16, at 88 Sterling Hwy., Homer, AK 99603 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then so long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Robert C Noble

Robert Charles Noble, also known as Robert C. Noble

SS# 520-34-9494

Arlene R Noble

Arlene R. Noble
SS# 484-26-0027

STATE OF ALASKA
COUNTY OF 3rd Judicial District } ss.

INDIVIDUAL

On this 4th day of May, 19 98, before me personally appeared Robert Charles Noble, also known as Robert C. Noble, and Arlene R. Noble, individually and as husband and wife to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that t he y executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 4th day of May, 19 98.

My commission expires: 9-26-01

SHARI DAUGHERTY My Commission Expires NOTARY PUBLIC Sep 26 2001 STATE OF ALASKA

Shari Daughetty
Notary Public for the State of Alaska
residing at Homer, Alaska

STATE OF _____
COUNTY OF _____

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

_____

Notary Public for the State of _____
residing at _____

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 1st day of April, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of April 1, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Robert Charles Noble, also known as Robert C. Noble, and Arlene R. Noble, individually and as husband and wife
LESSEE: Contex Energy Company
DATED: January 17, 1994, and recorded in Book 96, page 305 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $350.00 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $1,050.00, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

Robert Charles Noble, also known as
Robert C. Noble

Arlene R. Noble

LESSEE:

BY:
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated April 1, 1998, by and between Robert Charles Noble, also known as Robert C. Noble, and Arlene R. Noble, individually and as husband and wife, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 25: SW1/4NE1/4, S1/2SE1/4, NW1/4SE1/4
Sublette County, Wyoming

1. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read fifteen percent (15.00%) royalty.

2. Lessee shall have the right to unitize, pool or combine all or any part of land subject to this lease as to one or more of the formations thereunder with other lands in the same general area by entering into an agreement for the waterflooding or other recovery operations involving the introduction of extraneous forms of energy into any pool, repressurizing or pressure-maintenance operations, or recycling or recycling operations. The terms, conditions and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such agreement, and particularly all drilling and development requirements of such agreement, and this lease shall not terminate or expire during the life of such agreement. In the event the land described in this lease or any part thereof shall hereafter be operated under any such agreement, and the agreement provides for allocation of unitized production to different portions of the land covered by the agreement in accordance with a procedure set forth in the agreement, then the production allocated under the agreement to the lands covered by this lease, or any other part thereof, shall be, for the purpose of computing the royalties to be paid to lessor, regarded as having been produced from the particular tract of land to which it is allocated, and the royalty payments to be made shall be based upon production only as so allocated.

3. Subject to the other provisions herein contained, three years after the expiration of the primary term, this lease shall terminate as to all lands which are not located within a "drillsite spacing unit" (as hereinafter defined) in which there is located a producing well or well capable of producing on the leased premises or on lands pooled or unitized therewith. For purposes of this paragraph, a drillsite spacing unit is defined as the lands included in the drilling and production unit established for the well, or attributed to the well for spacing purposes by the governmental authority having jurisdiction. If at or within one hundred twenty (120) days prior to the expiration of the three year period after expiration of the primary term, lessee is engaged in drilling or reworking operations on the leased premises or on lands pooled or unitized therewith as heretofore provided, this provision shall be suspended for so long as Lessee continues such drilling or reworking operations with no cessation of more than one hundred twenty (120) consecutive days between completion or abandonment of such drilling or reworking operations on one well and the commencement of drilling or reworking operations on the next well. Lessee shall record a release as to all lands not covered by the accepted lands herein described.

4. In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 17th day of January, 2004, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

Robert Charles Noble, also known as
Robert C. Noble

Arlene R. Noble

Producers 88
Rocky Mountain 1998
(Paid-Up Rev. 1998)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 7th day of April 19 98 by and between

Dianna J. Goodman, a single woman

of 11028 Jolleyville Road (Apt. #249), Austin, TX 78759, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows:

See Exhibit "A" attached hereto and made a part hereof

268075

RECORDED July 8, 1998 M
IN BOOK 107 Misc PAGE 96
FEES $ 10.00 County Clerk
SUBLETTE COUNTY, PINEDALE, WYOMING

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 990.29 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten~~ five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the _____ Bank, at _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF, I/we sign our hands as of the day and year first above written.

Dianna J. Goodman
SS# 528391667

STATE OF TEXAS
COUNTY OF TRAVIS } ss. INDIVIDUAL

On this _____ day of _____, 19 98, before me personally appeared _____

Dianna J. Goodman, a single woman

to me known to be the person _____ described in, and who executed the foregoing instrument, and who acknowledged to me that _____ S he _____ executed the same as _____ her _____ free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 6th day of May, 19 98.

My commission expires:

JENNIFER M. HUYNH
Notary Public, State of Texas
My Commission Expires
MAY 25, 1999

Jennifer M. Huynh
Notary Public for the State of Texas
residing at Austin, Texas

STATE OF _____
COUNTY OF _____ } ss. CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 _____

My commission expires:

Notary Public for the State of _____
residing at _____

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated April 7, 1998, by and between Dianna J. Goodman, a single woman, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Township 31 North, Range 113 West, 6th P.M.
Section 15: S1/2S1/2
Section 21: E1/2NE1/4
Section 22: N1/2N1/2, S1/2NW1/4, SW1/4NE1/4
Township 32 North, Range 114 West, 6th P.M.
Section 11: Lots 2(15.61), 3(15.13), SE1/4NW1/4
Township 33 North, Range 113 West, 6th P.M.
Section 30: S1/2SE1/4
Section 31: Lots 2(39.75), 3(39.85), 4(39.95), N1/2NE1/4, SE1/4NW1/4, E1/2SW1/4

20. Lessee agrees that Lessor shall not bear any "on Lease" transportation or processing costs.

21. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil, gas operations, Lessee shall consult with surface owner as to the direction and placement of same. Lessee shall also consult with surface owner as to the location of any well or wells, pipelines, tank batteries, fences or installation of other equipment on the leased premises before installing same.

22. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for Identification:

X _____
Dianna J. Goodman

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE
268076

RECORDED July 8 1998 M 8:45a
IN BOOK 108 Oth 3 PAGE 99
FEES $ 10.00 In COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sartin

THIS AGREEMENT, made and entered into this 7th day of April 1998, by and between
Shelley R. Goodman, also known as Shelly R. Goodman, a single woman
of PO Box 22202, St. Petersburg, FL 33742, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: INITIAL

See Exhibit "A" attached hereto and made a part hereof

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 990.29 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the _____ Bank, at _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Shelley R. Goodman

Shelley R. Goodman, also known as
Shelly R. Goodman

SS # 528-19-8408

STATE OF Florida
COUNTY OF PINELLAS } ss.

INDIVIDUAL

On this NINTH day of MAY, 19 98, before me personally appeared Shelley R. Goodman, also known as Shelly R. Goodman, a single woman

to me known to be the person X described in, and who executed the foregoing instrument, and who acknowledged to me that She executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this NINTH day of MAY, 1998.

My commission expires:

R. T. REPASS
MY COMMISSION # CC715441
EXPIRES: February 8, 2002
Bonded Thru Notary Public Underwriters

Notary Public for the State of FLORIDA
residing at 2727 ULMERTON ROAD

STATE OF
COUNTY OF } ss.

CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19

My commission expires:

Notary Public for the State of
residing at

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated April 7, 1998, by and between Shelley R. Goodman, also known as Shelly R. Goodman, a single woman, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Township 31 North, Range 113 West, 6th P.M.
Section 15: S1/2S1/2
Section 21: E1/2NE1/4
Section 22: N1/2N1/2, S1/2NW1/4, SW1/4NE1/4
Township 32 North, Range 114 West, 6th P.M.
Section 11: Lots 2(15.61), 3(15.13), SE1/4NW1/4
Township 33 North, Range 113 West, 6th P.M.
Section 30: S1/2SE1/4
Section 31: Lots 2(39.75), 3(39.85), 4(39.95), N1/2NE1/4, SE1/4NW1/4, E1/2SW1/4

20. Lessee agrees that Lessor shall not bear any "on Lease" transportation or processing costs.

21. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil, gas operations, Lessee shall consult with surface owner as to the direction and placement of same. Lessee shall also consult with surface owner as to the location of any well or wells, pipelines, tank batteries, fences or installation of other equipment on the leased premises before installing same.

22. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for Identification:

Shelley R. Goodman, also known as Shelly R. Goodman

102

Producers 88
Rocky Mountain 1998
(Paid-Up Rev. 1998)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 7th day of April 19 98 by and between

Charles Goodman, Jr., a single man

of 5140 Chinnook Way, Murray, UT 84107, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

268077

RECORDED July 8 1998 M 8:45
IN BOOK 108 OR PAGE 102
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cindy Sadler

INITIAL HERE

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 990.29 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the U.S. Bank, at 888 East 4500 South, Murray, UT 84107 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Charles Goodman, Jr.

Charles Goodman, Jr.
SS# 528-39-1657

STATE OF UTAH
} ss.
COUNTY OF SALT LAKE

NICHOLE SANTORO
Notary Public
State of Utah
My Commission Expires Aug 20, 2001
888 East 4500 South Murray UT 84107

On this 25th day of April, 19 98, before me personally appeared

Charles Goodman, Jr., a single man

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that he executed the same as his free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 25th day of April, 19 98.

My commission expires: Aug 20, 2001

Nicholle Santoro
Notary Public for the State of Utah
residing at SLCo UT

STATE OF _____
} ss. CORPORATE
COUNTY OF _____

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____

My commission expires:

_____

Notary Public for the State of _____
residing at _____

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated April 7, 1998, by and between Charles Goodman, Jr., a single man, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Township 31 North, Range 113 West, 6th P.M.
Section 15: S1/2S1/2
Section 21: E1/2NE1/4
Section 22: N1/2N1/2, S1/2NW1/4, SW1/4NE1/4
Township 32 North, Range 114 West, 6th P.M.
Section 11: Lots 2(15.61), 3(15.13), SE1/4NW1/4
Township 33 North, Range 113 West, 6th P.M.
Section 30: S1/2SE1/4
Section 31: Lots 2(39.75), 3(39.85), 4(39.95), N1/2NE1/4, SE1/4NW1/4, E1/2SW1/4

20. Lessee agrees that Lessor shall not bear any "on Lease" transportation or processing costs.

21. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil, gas operations, Lessee shall consult with surface owner as to the direction and placement of same. Lessee shall also consult with surface owner as to the location of any well or wells, pipelines, tank batteries, fences or installation of other equipment on the leased premises before installing same.

22. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for identification:

X Charles Goodman Jr
Charles Goodman, Jr.

Producers 88
Rocky Mountains 1996
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE
268078

RECORDED July 8 1998 M 8:45A
IN BOOK 108 OR PAGE 105
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
BY Cathy Stoker

THIS AGREEMENT, made and entered into this 22nd day of April 19 98 by and between

Mildred A. Walsh, a widow, individually and as an heir of the Estate of Walter J. Muir, deceased

of 602 Calhoun Road, Myrtle Beach, SC 29577, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: INITIAL

See Exhibits "A" and "B" attached hereto and made a part hereof

MAW

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned HEREIN claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 760.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from December 29, 1998 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (⅛) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (⅛) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the NATIONSBANK, at PO Box 33667, Charlotte, NC 28233-3667 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

x Mildred C. Walsh

Mildred A. Walsh, individually and as heir of the Estate of Walter J. Muir, deceased

SS # 240-46-2223

STATE OF South Carolina }
COUNTY OF Horry } ss.

INDIVIDUAL

On this 18th day of May, 19 98, before me personally appeared Mildred A. Walsh, a widow, individually and as an heir of the Estate of Walter J. Muir, deceased to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 18th day of May, 19 98.

My commission expires: My Commission Expires December 12, 2005

Notary Public for the State of South Carolina
residing at 4 Shawan Loop Myrtle Beach, SC 29575

STATE OF _____ }
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 22nd day of April, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of April 22, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Mildred A. Walsh, and Eugene W. Walsh, wife and husband, individually and as heirs of Walter J. Muir, deceased
LESSEE: Contex Energy Company
DATED: December 29, 1993, and recorded in Book 96, page 188 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $554.17 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $1,662.50, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

x Mildred A. Walsh
Mildred A. Walsh, individually and as heir of the Estate of Walter J. Muir, deceased

LESSEE:

BY: Marc Hall
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated April 22, 1998, by and between Mildred A. Walsh, a widow, individually and as an heir of the Estate of Walter J. Muir, deceased, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 24: SW1/4SW1/4
Section 25: W1/2
Section 26: NE1/4NE1/4
Section 35: NE1/4SE1/4
Section 36: W1/2
Sublette County, Wyoming

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 29th day of December 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x Mildred A. Walsh
Mildred A. Walsh, individually and as an heir
of the Estate of Walter J. Muir, deceased

12.00

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE
268079

RECORDED July 8 1998 M 8:45a
IN BOOK 108 PAGE 109
FEES $12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cal Sweten

THIS AGREEMENT, made and entered into this 8th day of April 1998 by and between James Angus and Karen P. Angus, individually and as husband and wife, and as heirs of the Estate of Marian L. Angus, deceased

of 3713 Mimosa Avenue, Memphis, TN 38111, hereinafter called lessor (whether one or more), and Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

INITIAL
J.A.
J.P.A.

See Exhibits "A" and "B" attached hereto and made a part hereof

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 760.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from February 11, 1999 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Shelby County Employee FCU Bank, at 4th Floor, 157 Poplar, Memphis, TN 38103 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

x James Angus
James Angus, individually and as heir of the Estate of Marian L. Angus, deceased

SS # 444-62-1397

x Karen P. Angus
Karen P. Angus, individually and as heir of the Estate of Marian L. Angus, deceased

SS # 411-27-6643

STATE OF Tennessee
COUNTY OF Shelby } ss.

INDIVIDUAL

On this 21st day of May, 1998, before me personally appeared James Angus and Karen P. Angus, individually and as husband and wife, and as heirs of the Estate of Marian L. Angus, deceased
to me known to be the person s described in, and who executed the foregoing instrument, and who acknowledged to me that they executed the same as their free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 21st day of May, 1998.

My commission expires: 6-23-98

Cynthia J. Wenner
Notary Public for the State of Tennessee
residing at Memphis

STATE OF _____
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19____.

My commission expires:

_____

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 8th day of April, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of April 8, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: James Angus and Karen P. Angus, husband and wife, individually and as heirs of Marian L. Angus, a deceased person
LESSEE: Contex Energy Company
DATED: February 11, 1994, and recorded in Book 96, page 655 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $92.37 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $277.10, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

x James Angus
James Angus, individually and as heir of Marian L. Angus, a deceased person

LESSEE:

BY: Marc Rudd
Hanson & Strahn, Inc.

x Karen P. Angus
Karen P. Angus, individually and as heir of Marian L. Angus,a deceased person

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated April 8, 1998, by and between James Angus and Karen P. Angus, individually and as husband and wife, and as heirs of the Estate of Marian L. Angus, deceased, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 24: SW1/4SW1/4
Section 25: W1/2
Section 26: NE1/4NE1/4
Section 35: NE1/4SE1/4
Section 36: W1/2
Sublette County, Wyoming

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 11th day of February, 2004, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x James Angus
James Angus, individually and as heir of the
Estate of Marian L. Angus, deceased

x Karen P. Angus
Karen P. Angus, individually and as heir of the
Estate of Marian L. Angus, deceased

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:04
RECEIVED
CHEYENNE, WYOMING

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.
WYW143647

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 106 West, 6th P.M. Section 32: NE¼ Section 33: N½, SE¼ containing 640 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268087

RECORDED July 8, 19 98 10:30 AM
IN BOOK 108 PAGE 113
FEES $ 8.00 COUNTY CLERK
SUBLETTE PINEDALE WYOMING
By Cathy Brockton

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 DEC 01 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32276

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 21 day of October, 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
or R. G. Albertus, President
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-004/41005

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

Lease Serial No.
WYW143652

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

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* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 3: Lots 1-4, S½N½, S½ Section 4: Lots 1-4; S½N½, S½ Section 9: All Section 10: All containing 2,470 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268088

RECORDED July 8, 1998 10:30AM
IN BOOK 108 Oth PAGE 115
800 Mary Lou Hill COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

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 for land description indicated on reverse of this form.

Assignment approved effective DEC 01 1997

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32279

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October, 19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-804/41005

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:05
RECEIVED
CHEYENNE, WYOMING

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.
WYW143653

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 5: Lots 1-4, S½N½, SE¼ Section 6: Lots 1-6; S½NE¼, SE¼NW¼, E½SW¼, SE¼ Section 8: N½NE¼, SE¼NE¼, SW¼ containing 1,266 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268089

RECORDED July 8 1998 10:30 AM
IN BOOK 108 PAGE 117
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

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 DEC 01 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32280

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October 1997 Executed this 3 day of November 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: (Signature)
R. G. Albertus, President

or
Attorney-in-fact (Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

LANCE OIL AND GAS COMPANY, INC.

Assignee: John C. Walter, Executive Vice President

Attest: Vanya S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-804/41005

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:05
RECEIVED
CHEYENNE, WYOMING

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.
WYW143655

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 1: Lot 1, SE¼NE¼ containing 69 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268090
RECORDED July 8, 1998 10:30AM
IN BOOK 108 OR PAGE 119
FEES $8.00
COUNTY CLERK
SUBLETTE 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 DEC 01 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32282

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said co[illegible]n and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 3130 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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: [signature]
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: [signature]
John C. Walter, Executive Vice President

Attest: [signature]
Vance S. Blalock, Assistant Secretary

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

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☆ U.S. GPO: 1996-774-884/41005

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

Lease Serial No.
WYW143656

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

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* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 1: Lots 1-4, S½N½, S½ Section 2: Lots 1-4, S½N½, S½ Section 11: All containing 1,924 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268091

RECORDED July 8, 1998 at 9 o'clock A.M.
IN BOOK 108 of D, L & L PAGE 121
FEES $ 8.00 Mary L. Lilly COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Baker

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 DEC 0 1 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 0 8 1998
(Date)

FOR ASSIGNEE

WY-32283

121

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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.

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

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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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
or R. G. Albertus, President
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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

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★ U.S. GPO: 1996-774-004/41008

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

Lease Serial No.
WYW143657

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10: 07
RECEIVED
CHEYENNE, WYOMING

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* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 3: Lots 1-4, S½N½, S½ Section 4: Lots 1, 5, S½NE¼, SE¼NW¼ Section 5: SE¼SE¼ Section 8: SE¼SE¼ Section 10: E½ containing 1,242 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268092

RECORDED July 8, 1998 10:30 AM
IN BOOK 108 Oth PAGE 123
FEES $8.00 M L Lewis COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Scoton

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 DEC 01 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section MAY 08 1998
(Date)

WY-32284

FOR ASSIGNEE

123

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October, 19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997.

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-884/41085

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:07
RECEIVED
CHEYENNE, WYOMING

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.
WYW143658

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 12: All Section 13: All Section 14: All containing 1,920 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268093

RECORDED July 8, 1998 10:30AM
IN BOOK 108 Misc PAGE 125
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

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 DEC 01 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32285

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The Assignor certifies as owner of an interest in the above designated lands 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; © 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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: M. R. Albertus
(Signature)
R. G. Albertus, President

or Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997.

LANCE OIL AND GAS COMPANY, INC.

Assignee: John C. Walter
John C. Walter, Executive Vice President

Attest: Vance S. Blalock
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-004/41005

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.
WYW143659

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 23: N½, W½SW¼, NE¼SE¼ Section 24: N½SW¼, SE¼SW¼, SE¼ Section 25: NE¼, S½NW¼, SW¼ Section 35: E½NE¼ containing 1,200 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268094

RECORDED July 8 1998 10:30 A
IN BOOK 108 Misc. PAGE 187
FEES $ 8.00 M. Lou Hall COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Zaloka

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 DEC 0 1 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 0 8 1998
(Date)

FOR ASSIGNEE

WY-32287

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE OF COLORADO

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 tire 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 27 day of October 1997

Name of Assignor as shown on current lease: ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Bullock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-604/41005

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

Lease Serial No.
WYW143660

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:08
RECEIVED
CHEYENNE, WYOMING

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* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 4: Lot 4, SW¼NW¼, W½SW¼ Section 5: Lot 1, SE¼NE¼ Section 7: Lots 1-7; SW¼NE¼, E½NW¼, SE¼SW¼, S½SE¼ Section 8: SW¼SW¼ Section 17: Lots 1-3, SW¼ Section 18: Lots 2-7; S½NE¼, SE¼NW¼, E½SW¼, SE¼ containing 1,488 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268095

RECORDED October 5, 1998 10:32 A
IN BOOK 108 Pt 6 PAGE 129
FEES $8.00 Mary L Lyda COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Lados

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 DEC 01 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Lasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32288

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC. (Please type or print)

Assignor BY: _____ (Signature)
R. G. Albertus, President

or Attorney-in-fact _____ (Signature)

304 Inverness Way South, Suite 295 (Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vince S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-004/41005

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

Lease Serial No.
WYW143661

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

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* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 19: Lots 1-4, E½ Section 20: W½E½, W½ Section 21: SW¼SW¼ Section 28: SW¼NW¼ Section 29: Lots 1-3, NW¼NE¼ Section 32: N½SW¼ containing 1,347 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268096

RECORDED July 8, 1998 10:30 AM
IN BOOK 08 OR 3 PAGE 131
$8.00 M L Lewis COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cath Sexton

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 DEC 0 1 1997

By /s/ PAMELA J. LEWIS
(Authorized Officer)

☒ Assignment approved for attached land description

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

Chief, Leasable Minerals Section MAY 0 8 1998
(Title) (Date)

FOR ASSIGNEE

WY-32289

T. 32 N., R. 108 W., 6th Prin. Mer, WY
Sec. 19: Lots 1-4, E2, E2W2
20: W2E2, W2
21: SWSW
28: SWNW
29: Lots 1-3, NWNE
32: N2SW

1346.81 acres

STATE OF COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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 tire 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 27 day of October, 19 97

Name of Assignor as shown on current lease: ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997.

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Bullock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-804/41985

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

Lease Serial No.
WYW143663

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

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* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 1: Lot 4, S½NW¼, SW¼, W½SE¼, SE¼SE¼ Section 2: Lots 1-4, S½N½, S½ Section 3: Lots 1-3, S½NE¼, SE¼NW¼, NE¼SW¼, SE¼ containing 1,336 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268097

RECORDED July 8, 1998 10:30 AM
IN BOOK 108 of D PAGE 133
FEES $ 5.00 Mary L. Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Slaton

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 for land description indicated on reverse of this form.

Assignment approved effective DEC 0 1 1997

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 0 8 1998
(Date)

FOR ASSIGNEE

WY-32290

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

NOTARY PUBLIC STATE

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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, or the publication 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; © 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 27 day of October 19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997.

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Braddock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-004/41005

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.
WYW143664

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 1: Lot 4 Section 2: Lot 1 Section 7: Lot 1 Section 12: SE¼NE¼, SE¼SW¼, SE¼ Section 13: NE¼, NE¼NW¼ containing 557 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268098

RECORDED June 8, 1998 10:50 AM
IN BOOK 108 of O & G, PAGE 135
FEES $8.00 [signature] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

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 for land description indicated on reverse of this form.

Assignment approved effective DEC 01 1997

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 08 1998
(Date)

FOR ASSIGNEE

WY-32291

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-884/41005

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

DEPT. OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:09
RECEIVED
CHEYENNE, WYOMING

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.
WYW143665

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

LANCE OIL AND GAS COMPANY, INC.
12200 NORTH PECOS STREET
DENVER, CO 80234

*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 34 North, Range 109 West, 6th P.M. Section 25: NE¼NE¼, S½NE¼, S½ Section 26: S½ Section 27: N½NW¼, SW¼NW¼ Section 35: E½, E½NW¼ containing 1,280.00 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268099

RECORDED July 8 1998 10:32 AM
IN BOOK 108 of D PAGE 137
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Seaton

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 DEC 0 1 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 0 8 1998
(Date)

FOR ASSIGNEE

WY - 32292

137

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE OF COLORADO

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; 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; © 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 tire 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 27 day of October 19 97 Executed this 3 day of Nov. ,19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
or R. G. Albertus, President
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)
Englewood, CO 80112
(City) (State) (Zip Code)

LANCE OIL AND GAS COMPANY, INC.

Assignee BY: _____
(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, 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

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☆ U.S. GPO: 1996-774-004/41005

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:09
RECEIVED
WYOMING

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.
WYW143672

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 113 West, 6th P.M. Section 8: S½SW¼, SW¼ SE¼ Section 18: E½ Section 19: E½ Section 29: NW¼ Section 30: NE¼ containing 1,080.00 acres, more or less Sublette County, Wyoming	100%	15%	85%		

268100

RECORDED July 8, 1998 10:30 AM
IN BOOK 108 PAGE 139
FEE $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

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 DEC 0 1 1997

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section MAY 0 8 1998
(Title) (Date)

FOR ASSIGNEE

WY-32293

139

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE OF COLORADO

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Bialock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-894/41005

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

DEPT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:09
RECEIVED
CHEYENNE, WYOMING

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.
WYW143673

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 113 West, 6th P.M. Section 17: W½NE¼, W½, SE¼ Section 20: N½, SW¼, N½SE¼ Section 21: N½, NW¼SW¼ containing 1,480.00 acres, more or less Sublette County, Wyoming 268101	100%	15%	85%		

RECORDED July 8, 1998 10:30 AM
IN BOOK 108 Oil & Gas PAGE 141
FEES $ 8.00 Mary L Lybbert COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Lester

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 DEC 0 1 1997

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

By /s/ PAMELA J. LEWIS (Authorized Officer)
Chief, Leasable Minerals Section (Title)
MAY 0 8 1998 (Date)

FOR ASSIGNEE

WY-32295

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Bullock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-804/41885

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10: 09
RECEIVED
CHEYENNE, WYOMING

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.
WYW143675

Lease Effective Date
(Anniversary Date)
December 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 35 North, Range 113 West, 6th P.M. Section 7: Lots 1-4, E½, E½W½ Section 17: SE¼NW¼ Section 18: Lots 1-4, NE¼, E½W½, SE¼SE¼ **268102** Section 19: Lot 1, NE¼NE¼, NE¼NW¼, SE¼SW¼, E½SE¼ Section 20: S½NE¼, SE¼NW¼ containing 1,479.00 acres, more or less Sublette County, Wyoming	100%	15%	85%		

RECORDED July 8, 1998 @ 10:30 AM
IN BOOK 108 OF Misc. Records PAGE 143
FEES $ 5.00 Mary L. Littrell COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Smith

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 for land description indicated on reverse of this form.

Assignment approved effective DEC 0 1 1997

By /s/ PAMELA J. LEWIS
(Authorized Officer)

Chief, Leasable Minerals Section
(Title)

MAY 0 8 1998
(Date)

FOR ASSIGNEE

WY-32296

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

_____
_Notary Public

My Commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 27 day of October, 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
or R. G. Albertus, President
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John G. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-004/41005

[redacted] [redacted] [redacted]

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

JUL 1 MAIL DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:04
RECEIVED
CHEYENNE, WYOMING

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.
WYW142265

Lease Effective Date
(Anniversary Date)
August 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 108 West, 6th P.M. Section 7: Lots 3-5, SE¼NW¼, E½SW¼ Section 18: Lots 1-4, E½W½ Township 32 North, Range 108 West, 6th P.M. Section 30: Lots 1-4, E½W½ Section 31: Lots 1, 2, E½NW¼ Sublette County, Wyoming	100%	15%	85%		

268103
RECORDED July 8, 1998 10:30AM
IN BOOK 108 of Misc. PAGE 145
FEES $8.00 Mary L. Kapple COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Scanlon

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 for land description indicated on reverse of this form

Assignment approved effective DEC 01 1997

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

MAR 19 1998
(Date)

FOR ASSIGNEE

WY-1017

WY-32275

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 29 day of Oct. 1997

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
R. G. Albertus, President

or
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3rd day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vange S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-884/41085

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:04
RECEIVED
CHEYENNE, WYOMING

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-142274

Lease Effective Date
(Anniversary Date)
August 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 36 North, Range 112 West Section 23: SE¼ Section 24: SW¼NW¼ Section 25: SW¼SW¼ Section 27: NW¼NE¼, NE¼SE¼ Section 30: E½W½ Section 31: NE¼, E½SW¼ Sublette County, Wyoming	100%	15%	85%		

268104
RECORDED July 8, 1998 10:30 AM
IN BOOK 108 O+G, PAGE 147
FEES $8.00
SUBLETTE COUNTY, PINEDALE, WY
By Cathy Jacobs

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 DEC 01 1997

By /s/ Theresa M. Stevens
(Authorized Officer)

☐ Assignment approved for attached land description

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

LAND LAW EXAMINER MAR 19 1998
(Title) (Date)

FOR ASSIGNEE

WY-1018

WY-32297

147

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.,** to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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; © 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 tire 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 29 day of Oct. 19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
or R. G. Albertus, President
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 30 day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John G. Walter, Executive Vice President

Attest: _____
Vance S. Blalock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-804/41085

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:04
RECEIVED
CHEYENNE, WYOMING

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-142277

Lease Effective Date
(Anniversary Date)
August 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
Street 12200 NORTH PECOS STREET
City, State, ZIP Code DENVER, CO 80234

*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 35 North, Range 113 West Section 20: S½ Section 21: All Section 28: All Section 29: All Section 32: NW¼ Section 33: NW¼ Sublette County, Wyoming	100%	15%	85%		

268105

RECORDED Aug 8 1998 10:30 AM
IN BOOK 108 PAGE 149
FEES $5.00
SUBLETTE COUNTY, PINEDALE WY
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 DEC 01 1997

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

By /s/ Theresa M. Clovis
(Authorized Officer)

LAND LAW EXAMINER (Title)

MAR 19 1998 (Date)

FOR ASSIGNEE

WY-1019

WY-32298

149

150

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said Corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MARCH 17, 2000

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; © 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 29 day of Oct, 19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: (Signature)
R. G. Albertus, President

or Attorney-in-fact (Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3rd day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: John C. Walter
John C. Walter, Executive Vice President

Attest: Vanya S. Blalock
Vanya S. Blalock, Assistant Secretary

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

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☆ U.S. GPO: 1996-774-804/41005

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-142278

Lease Effective Date
(Anniversary Date)
August 1, 1997

New Serial No.

DEPT. OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1997 NOV 26 AM 10:04
RECEIVED
CHEYENNE, WYOMING

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* LANCE OIL AND GAS COMPANY, INC.
   Street 12200 NORTH PECOS STREET
   City, State, ZIP Code DENVER, CO 80234

*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 35 North, Range 113 West Section 26: All Section 27: SW¼, W½SE¼, SE¼SE¼ Section 35: E½, SW¼ Sublette County, Wyoming	100%	15%	85%		

268106

RECORDED July 8, 1998 10:30 AM
IN BOOK 108 OR PAGE 151
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sustar

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 DEC 01 1997

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

MAR 19 1998
(Date)

FOR ASSIGNEE

WY-1020

WY-32299

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 COLORADO)
)SS
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this ___27th___ day of _October_____, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus, President of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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, its possession 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; © 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 300,008 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 29 day of Oct. 19 97

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor BY: _____
(Signature)
or R. G. Albertus, President
Attorney-in-fact _____
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

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

Executed this 3rd day of November, 1997

LANCE OIL AND GAS COMPANY, INC.

Assignee: _____
John C. Walter, Executive Vice President

Attest: _____
Vance S. Bialock, Assistant Secretary

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.

☆ U.S. GPO: 1996-774-884/41885

ASSIGNMENT AND BILL OF SALE
WITH SPECIAL WARRANTIES

THIS INDENTURE, made on this 16th day of June, 1998, but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC., 1675 Broadway, Suite #2330, Denver, Colorado 80202, and JOHN P. LOCKRIDGE, 1801 Broadway, #1250, Denver, Colorado 80202 (Collectively referred to as "SELLER"), and NORTH AMERICAN RESOURCES COMPANY, 16 East Granite, Butte, Montana 59701 ("PURCHASER").

WITNESSETH: THAT SELLER, in consideration of the sum of ten dollars and other valuable consideration to it in hand paid by Purchaser, the receipt of which is hereby acknowledged, does by these presents, GRANT, BARGAIN, SELL, CONVEY, ASSIGN, AND CONFIRM, unto Purchaser, its successors and assigns, 100% of Seller's right, title and interest in and to the estates created by these certain oil and gas leases described on Exhibit "A", attached to and made a part hereof. Together with 100% of Sellers' interest in and to all rights in, to, and under all agreements, leases, permits, rights-of-way, easements, licenses, options and orders in any way relating thereto, and in and to 100% of Seller's interests in and to the personal property, equipment, oil and gas wells, pipelines, compressors, fixtures and improvements now located thereon, appurtenant thereto or used or obtained in connection therewith, subject to the reservations, conditions and covenants hereinafter provided.

Seller hereby reserves unto Seller and excepts from this Assignment an overriding royalty interest in all of the oil, gas and other hydrocarbons produced, saved and marketed from said leases and property equal to the difference between Seventeen and One-Half Percent (17.50%) and all presently existing and outstanding lease burdens which shall include lessor's royalty and all overriding royalties or similar interests burdening said leases. In the event the present lease burdens exceed Seventeen and One-Half Percent (17.50%), then Seller shall not reserve an overriding royalty interest.

If the Oil and Gas Leases on the attached Exhibit "A" cover less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, or if Assignor owns less than 100% of the oil, gas or mineral leasehold estate in any such tract or tracts, the interest retained hereunder, with respect to that certain tract or tracts, shall be proportionately reduced.

TO HAVE AND TO HOLD, the property aforesaid with all and singular the rights, privileges, appurtenances and immunities thereto belonging or in anywise appertaining unto Purchaser and unto its successors and assigns forever, the Seller hereby covenants that the said property is free and clear from any encumbrance done or suffered by it; and that it will defend the title to the said property unto Purchaser and unto its successors and assigns against the lawful claims and demands of all persons claiming to hold title by, through, or under Seller, but not otherwise. Purchaser shall indemnify and hold Seller harmless from and against any and all loss, cost, expense and claims for damages to persons or property arising out of or in connection with Purchaser's ownership and/or operation of the Property after the effective date.

THIS ASSIGNMENT is made subject to the terms and conditions of that certain Purchase and Sale Agreement dated May 15, 1998 by and between North American Resources Company and Strachan Exploration, Inc. This assignment covers state and federal oil and gas leases and is not intended to convey any additional interest over and above the interests conveyed on the governmental assignment forms.

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

268135

RECORDED July 10 19 98 8:30 AM
IN BOOK 108 OR PAGE 153
FEES $ 41.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kathi Pape

SELLER:

STRACHAN EXPLORATION, INC.

By: _____
Stephen M. Strachan, President

_____
JOHN P. LOCKRIDGE

ATTEST: _____
Deborah K. Strachan, Secretary

PURCHASER:

NORTH AMERICAN RESOURCES COMPANY

By: _____
James J. Benner,
Vice President and General Manager

ATTEST: _____
Mary M. Crowe, Asst. Secretary

STATE OF COLORADO)
) ss
COUNTY OF Denver)

On this 8th day of June, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared STEPHEN M. STRACHAN, known to me to be the PRESIDENT of STRACHAN EXPLORATION, INC., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

My commission expires:
4-20-99

Notary Public
Residing at 4444 S Valentia St
Denver CO 80237

STATE OF California)
) ss
COUNTY OF Monterey)

On this 16th day of June, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared JOHN P. LOCKRIDGE, who states on oath that he is the person described in and who executed the foregoing instrument, and who acknowledged to me that he executed the same.

My commission expires:
4/17/02

Notary Public

SUSAN M. AINUU
COMM. #1180205
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
MONTEREY COUNTY
My Commission Exp. April 17, 2002

STATE OF MONTANA)
) ss
COUNTY OF SILVER BOW)

On this 30th day of June, 1998, before me, the undersigned authority in and for the State and County af[illegible]ally appeared JAMES J. BENNER, known to me to be the VICE PRESIDENT and [illegible]ANAGER of NORTH AMERICAN RESOURCES COMPANY, the corporation that executed [illegible]nstrument, and acknowledged to me that such corporation executed the same.

My commission expires:
5-24-2002

Notary Public 16 E. Granite
Residing at Butte, MT 59701

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998,
by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-138712	4/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 26: NE4, N2SE	240.00
USA WYW-138708	4/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 10: W2	320.00
USA WYW-135842	4/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 27: N2, NESW, N2SE Sec 28: All Sec 29: N2NE	1,160.00
USA WYW-135841	4/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 15: W2 Sec 21: NE4, S2 Sec 22: NWNW, S2NW	920.00
USA WYW-135840	4/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 20: E2 Sec 21: NW4 Sec 29: S2NE, SE4 Sec 32: E2	1,040.00
USA WYW-138709	4/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 15: SE4 Sec 22: NENE, S2NE, S2	600.00

155

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-137343	9/1/95	Township 33 North, Range 113 West, 6th P.M. Sec 18: Lots 1, 2, 3, 4, E2W2 Sec 19: Lots 1, 2, 3, 4, E2W2 Sec 30: Lots 1, 2, E2NW Township 33 North, Range 114 West, 6th P.M. Sec 12: SENW, S2 Sec 26: NW4, N2SW	1,391.12
USA WYW-137344	9/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 10: E2	320.00
USA WYW-136861	7/1/95	Township 33 North, Range 114 West, 6th P.M. Sec 33: N2N2, S2NW	240.00
USA WYW-136860	7/1/95	Township 32 North, Range 114 West, 6th P.M. Sec 24: E2	320.00
USA WYW-136854	7/1/95	Township 30 North, Range 114 West, 6th P.M. Sec 3: Lots 1, 2, 3, 4, S2N2, SW4, W2SE, SESE Sec 4: S2N2 Sec 5: Lots 1, 2, S2NE Sec 9: N2, N2SW Sec 10: N2, SW4, N2SE, SWSE Sec 15: S2NE	2,005.27

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-136853	7/1/95	Township 30 North, Range 114 West, 6th P.M. Sec 1: Lots 1, 2, 3, 4, S2N2, S2 Sec 2: Lots 1, 2, 3, 4, S2N2, S2 Sec 11: NE4, S2 Sec 12: N2NE, SENE, NW4, W2SW, S2SE, SESW	2,244.44
USA WYW-18099	5/1/69	Township 33 North, Range 114 West, 6th P.M. Sec 30: Lots 1, 2, 3, NWNE, E2NW Sec 31: Lots 1, 2, NE4, E2NW	561.20
USA WYW-60642	1/1/69	Township 33 North, Range 114 West, 6th P.M. Sec 19: Lots 3, 4, E2SW, SE4 from the surface down to the stratigraphic equivalent of 11,464' drilled in the 24-19 Federal well located in the SESW of Sec 19 in T33N-R114W.	319.46
USA WYW-60641	1/1/69	Township 33 North, Range 114 West, 6th P.M. Sec 19: Lots 1, 2, E2NW, W2NE	239.18
USA WYW-121818	5/1/91	Township 33 North, Range 115 West, 6th P.M. Sec 24: SESE	40.00
USA WYW-121822	5/1/91	Township 33 North, Range 115 West, 6th P.M. Sec 24: NESE	40.00

157

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-117557	9/1/90	Township 33 North, Range 115 West, 6th P.M. Sec 35: E2 Sec 36: W2	640.00
USA WYW-121444	10/1/90	Township 33 North, Range 114 West, 6th P.M. Sec 29: SWSW Sec 30: Lot 4, S2SE, SESW Sec 31: Lots 3, 4, SE4, E2SW Sec 32: W2 Township 32 North, Range 115 West, 6th P.M. Sec 11: Lots 1, 2, 3, 4, S2 Sec 12: Lots 1, 2, 3, 4, 5, 6, SW4, W2SE Township 33 North, Range 115 West, 6th P.M. Sec 25: E2	2,158.12
USA WYW-121443	10/1/90	Township 33 North, Range 114 West, 6th P.M. Sec 18: Lots 1, 2, 3, 4, E2, E2W2 Sec 19: E2NE Sec 20: W2 Sec 29: NW4, N2SW, SESW Sec 30: NENE, S2NE, NESW, N2SE Township 33 North, Range 115 West, 6th P.M. Sec 13: All Sec 24: N2	2,516.24

158

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-73977	6/1/51	Township 32 North, Range 114 West, 6th P.M. Sec 20: N2SE from the surface down to 100' below the stratigraphic equivalent of 6750' as encountered in the Mickelson Creek #43-30 well. Sec 20: NE4 from the surface down to 100' below the stratigraphic equivalent of 6750' as encountered in the Mickelson Creek #43-20 well.	240.00
USA WYW-38512	3/1/83	Township 32 North, Range 114 West, 6th P.M. Sec 21: W2	320.00
State of WY 71-15759	10/2/71	Township 32 North, Range 114 West, 6th P.M. Sec 16: All from the base of the Mesaverde formation defined as 7350' to the stratigraphic equivalent of the 11,875' total depth drilled in the Celeron Federal 21-28 well in the NW4 of Section 28, T32N-R114W. Sec 16: All from the surface down to 7350' and below 11,875' as drilled in the Celeron Federal 21-28 well in the NW4 of Section 28, T32N-R114W.	640.00
USA WYW-36440	10/1/72	Township 32 North, Range 114 West, 6th P.M. Sec 26: S2 Sec 27: W2, SE4	800.00

159

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-36439	10/1/72	Township 32 North, Range 114 West, 6th P.M. Sec 9: Lots 1, 2, 3, 4, S2N2, S2 Sec 21: NE4, NWSE, S2SE Sec 21: NESE from the surface down to the stratigraphic equivalent of the total depth of 11,875' drilled in the Celeron Federal 21-28 well located in the NW4 of Sec 28, T32N-R114W. Sec 22: All Sec 23: W2 Sec 26: NW4	1,973.64
USA WYW-28379	5/1/83	Township 32 North, Range 114 West, 6th P.M. Sec 28: All from the surface down to the stratigraphic equivalent of the total depth of 11,875' drilled in the Celeron Federal 21-28 well located in the NW4 of Sec 28, T32N-R114W. Sec 33: N2 from the surface down to the stratigraphic equivalent of the total depth of 11,875' drilled in the Celeron Federal 21-28 well located in the NW4 of Sec 28, T32N-R114W. Sec 34: All from the surface down to the stratigraphic equivalent of the total depth of 11,875' drilled in the Celeron Federal 21-28 well located in the NW4 of Sec 28, T32N-R114W. Sec 35: All from the surface down to the stratigraphic equivalent of the total depth of 11,875' drilled in the Celeron Federal 21-28 well located in the NW4 of Sec 28, T32N-R114W.	2,240.00

160

Exhibit "A"

Attached to and made part of that certain Assignment and Bill of Sale With Special Warranties dated June 16, 1998 but effective as of June 1, 1998, by and between STRACHAN EXPLORATION, INC. and JOHN P. LOCKRIDGE, as "SELLER", and NORTH AMERICAN RESOURCES COMPANY, as "PURCHASER".

Sublette County, Wyoming

LESSOR	LEASE DATE	DESCRIPTION	GROSS ACRES
USA WYW-33563	11/1/73	Township 32 North, Range 114 West, 6th P.M. Sec 27: NE4 from the surface down to the stratigraphic equivalent of 12,856' drilled in the Federal 13-4 well located in the NWSW of Sec 4, T31N-R114W.	160.00
USA WYW-06008	6/1/51	Township 32 North, Range 114 West, 6th P.M. Sec 20: S2SE from the surface down to 100' below the stratigraphic equivalent of 6750' as encountered in the Mickelson Creek #43-20 well.	80.00

Well Name:

Beamer's Bluff #24-19
Castle Creek #23-16A
Castle Creek #14-22
Castle Creek #21-28
Castle Creek #22-27
Castle Creek #22-28
Castle Creek #23-22
Castle Creek #34-28
Castle Creek #42-28
Castle Creek #43-21
Mickelson Creek #43-20

PIPELINE EASEMENT

KNOW ALL BY THESE PRESENT:

That John Wayne Jensen and Mary Kay Jensen
Box 6, Boulder, Wyoming 82933

Hereinafter referred to as Grantor, (whether one or more), for and in consideration of the sum of One Dollar ($1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant, convey and warrant unto Mountain Gas Resources, Inc., having its principal office at 12200 N. Pecos St., Denver, Colorado 80234, and to its successors and assigns, hereinafter referred to as Grantee, the exclusive right, privilege and easement to construct, maintain and operate a pipeline or pipelines, and appurtenance thereto on, over, under, across and through a strip of land fifty feet (50) inn width and being twenty-five (25) feet on each side of the center line specifically described as herein set forth over and across lands of Grantor in the County of Sublette and State of Wyoming, to wit:

Township 31 North, Range 108 West
Section 18: Lot 1

Township 31 North, Range 109 West
Section 13: N/2 NE/4, NE/4 NW/4.

268148

RECORDED July 10, 1998 2:50 PM
IN BOOK 108 Misc PAGE 162
FEES $5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

Covering a distance of approximately 240 rods, more or less.

TO HAVE AND TO HOLD unto Grantee, together with the right of ingress to and egress from said land across the adjacent property of the Grantor, for the purpose of constructing, operating, inspecting, repairing, maintaining, replacing, re-sizing or removing the pipelines and appurtenances of the Grantee located thereon, in whole or in part, at the will of the Grantee; it being the intention of the parties hereto that the Grantor may continue to use the surface of the easement strip conveyed hereby for all agricultural purposes, pasturage or other similar purposes, provided, however, that Grantor shall not construct or permit to be constructed any improvement upon the easement strip which would interfere with Grantee's exercise of the rights hereby conveyed and the safe operation of its pipelines.

It is further agreed as follows:

1. All pipelines constructed by Grantee shall, at the time of construction thereof, be buried to such depth as will not interfere with ordinary cultivation, except that at the option of Grantee, such line or lines may be placed above the channel of any stream, ravine, ditch or other water courses.

2. During construction or removal, grantee shall have the right to use an additional strip of land not more than twenty-five feet (25') in width on each side of the easement strip referred to above for working space only and additional work space of one hundred feet by one hundred and fifty feet (100' X 150') along the easement area at the crossing of roads, railroads, streams, terraces and uneven terrain.

3. Grantee will pay for any damages to Grantor's growing crops, grasses, trees, shrubbery, or fences caused by the maintenance or operation of Grantee's facilities; provided, however, that the Grantee shall have the right from time to time to cut or clear trees, brush and other obstructions on the right-of-way that might interfere with the operation or maintenance of Grantee's facilities.

4. Grantee will restore the surface to its original contour as nearly as practicable, the disturbance to which shall be occasioned by the construction, maintenance or operation of said pipelines under and through the above described land.

5. This instrument may be executed in counterparts and Grantor shall receive payment hereunder in such proportion as their respective interests bear to the fee simple title.

6. The center line description location and dimensions of the pipeline easement shall be established by a survey which shall be attached hereto as Exhibit "A" and made a part hereof.

7. In the event that the Grantee, at any time after the initial construction, shall construct one or more additional lines of pipe within its easement strip the then owner of the land subject to this easement shall be entitled to receive an additional consideration of $18 per rod for each additional construction, as provided herein.

8. Should Grantee Fail to use the easement granted hereby for a period of twenty-four (24) consecutive months, this easement shall terminate, and Grantee shall deliver to Grantor a release, in recordable form, releasing Grantee's rights hereunder.

9. The Grantee shall defend, indemnify and hold the grantor harmless from any damage, injury, claim, judgement or other liability arising, either directly or indirectly due to any damage or injury to any person or property resulting from the use of the subject lands by the Grantee, its employees, agents, representatives, contractors or contractors' assignees, including any contamination damage from toxic or hazardous materials occasioned by the Grantee's operations.

10. Grantor represents and warrants that he is the owner in fee simple of the Premises, subject only to outstanding mortgages and rights of way, if any, now of record in said county, and in the event of default by Grantor, Grantee shall have the right to discharge or redeem for Grantor, in whole or in part, any mortgage, tax or other lien on the Premises and thereupon be subrogated to such lien and rights incident thereto.

11. The rights of the parties may be assigned in whole or in part.

12. This instrument contains the entire agreement of the parties. There are no other or different agreements or understandings between Grantor and Grantee or its agents, and Grantor, in executing and delivering this instrument, has not relied upon any promises, inducements, or representations of Grantee or its agents or employees, except as such as are set forth herein.

This instrument and the rights, easements and agreements herein contained shall be covenants running with the land and shall inure to the benefits of and be binding and obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto.

Date this 10th day of February, 1998.

John Wayne Jensen
John Wayne Jensen
SS or Tax I.D. No 520-38-8192

Mary Kay Jensen
Mary Kay Jensen
SS or Tax I.D. No. 520-48-6561

STATE OF Wyoming)
) ss.
COUNTY OF Sublette)

The foregoing instrument was acknowledged before me this 10th day of February, 1998, by John Wayne Jensen

Witness my hand and seal.

My Commission Expires: 10-31-2001

Raymond C. Munson
Notary Public

RAYMOND C. MUNSON NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
MY COMMISSION EXPIRES OCT. 31, 2001

STATE OF Wyoming)
) ss.
COUNTY OF Sublette)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by Mary Kay Jensen

Witness my hand and seal.

My Commission Expires: 10-31-2001

Raymond C. Munson
Notary Public

RAYMOND C. MUNSON NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
MY COMMISSION EXPIRES OCT. 31, 2001

RATIFICATION OF OIL AND GAS LEASE

WHEREAS, Starwood, Inc., a Texas Corporation, herein called "Lessee" is the owner of the following described Oil and Gas Lease, dated September 6, 1997, recorded in Volume 105 Oil and Gas, at Page 528 of the County Records of Sublette County, State of Wyoming, between Matthew D. Miller and Lisa R. Miller, husband and wife, as Lessor(s), and Starwood, Inc., a Texas Corporation, as Lessee, in so far as said lease covers the following lands situated in said County (Parish) and State:

For Description Purposes, See Exhibit "A" Attached Hereto And Made A Part Hereof.

WHEREAS, the undersigned desire to ratify, adopt and confirm said lease;

THEREFORE, for valuable consideration paid to the undersigned, receipt of which is hereby acknowledged, the undersigned hereby ratify, adopt and confirm said lease, and hereby grant, lease, and let to Lessee, or its heirs, successors, and assigns, the land covered by said lease, as set out above, upon and subject to the same terms and conditions set out in said lease; provided however, the undersigned shall not be paid any portion of the initial bonus considerations nor rentals payable under said lease, but such bonus considerations and rentals shall be paid to Lessor therein named, his (her) heirs, legal representatives, or assigns. And I do hereby agree and declare that said lease in all of its terms and provisions is binding on me and is a valid and subsisting oil, gas and mineral lease.

Witness our hands and seals this 16th day of June, 1998.

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18, 1971 for
the Benefit of the Children of Robert M. Miller

268150

By: _____, President

RECORDED July 10, 1998 2:50PM
IN BOOK 108 OR PAGE 1164
FEES $21.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorter

Acknowledgement-Corporate
(For use in all states)

State Of Wyoming)
) ss.
County of Lincoln)

On this 16th day of June, A.D. 1998, before me personaly appeared T. Mark Mickelson, to me personally known, who, being by me duly sworn, did say that he is the President of Community First National Bank, of Kemmerer, Wyoming, Successor to The First National Bank of Kemmerer, Wyoming, Trustee Under That Irrevocable Trust dated October 18, 1971 for the Benefit of the Children of Robert M. Miller and that the seal affixed to said instrument is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 11-16-99

Paula M. Ferentchak
Notary Public
Lincoln County, WY
My Commission Expires
Nov. 16, 1999

Paula M. Ferentchak
Notary Public
Address: Kemmerer, Wyoming

EXHIBIT "A"

Attached hereto and made a part of that certain Ratification Of Oil and Gas Lease dated July 16, 1998, by and between Community First National Bank, of Kemmerer, Wyoming, successor to First National Bank of Kemmerer, Trustee under that irrevocable Trust dated October 18, 1971 for the benefit of the Children of Robert M. Miller, Ratifior, and Starwood, Inc., a Texas Corporation, Ratifiee.

DESCRIPTION OF LANDS

Township 31 North, Range 110 West, 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, 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, 6th P.M.
Section 4: Lots 3,4, 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, SE/4NE/4, /2SE/4

Township 35 North, Range 111 West, 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, 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, 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 the 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 the 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 of the above lands containing 8,717.23 aces, more or less.

Signed For Identification

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18,1971 for the
Benefit of the Children of Robert M. Miller

By: _____

RATIFICATION OF OIL AND GAS LEASE

WHEREAS, Starwood, Inc., a Texas Corporation, herein called "Lessee" is the owner of the following described Oil and Gas Lease, dated September 6, 1997, recorded in Volume 105 Oil and Gas, at Page 307 of the County Records of Sublette County, State of Wyoming, between Kathleen A. Miller, a single woman, as Lessor(s), and Starwood, Inc., a Texas Corporation, as Lessee, in so far as said lease covers the following lands situated in said County and State:

For Description Purposes, See Exhibit "A" Attached Hereto And Made A Part Hereof

WHEREAS, the undersigned desire to ratify, adopt and confirm said lease;

THEREFORE, for valuable consideration paid to the undersigned, receipt of which is hereby acknowledged, the undersigned hereby ratify, adopt and confirm said lease, and hereby grant, lease, and let to Lessee, or its heirs, successors, and assigns, the land covered by said lease, as set out above, upon and subject to the same terms and conditions set out in said lease; provided however, the undersigned shall not be paid any portion of the initial bonus considerations nor rentals payable under said lease, but such bonus considerations and rentals shall be paid to Lessor therein named, his (her) heirs, legal representatives, or assigns. And I do hereby agree and declare that said lease in all of its terms and provisions is binding on me and is a valid and subsisting oil, gas and mineral lease.

Witness our hands and seals this 16th day of July, 19 98.

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18, 1971 for
the Benefit of the Children of Robert M. Miller

By: _____, President

268151

RECORDED July 10, 19 98 2:50 PM
IN BOOK 108 O&G, PAGE 1066
FEES $21.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

By Carl Sexton

State Of Wyoming)
) ss.
County of Lincoln)

Acknowledgement-Corporate
(For use in all states)

On this 16th day of July, A.D. 19 98, before me personaly appeared T. Mark Mickelson, to me personally known, who, being by me duly sworn, did say that he is the President of Community First National Bank, of Kemmerer, Wyoming, Successor to The First National Bank of Kemmerer, Wyoming, Trustee Under That Irrevocable Trust dated October 18, 1971 for the Benefit of the Children of Robert M. Miller and that the seal affixed to said instrument is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 11-16-99

Paula M. Ferentchak
Notary Public
Address: Kemmerer, Wyoming

Paula M. Ferentchak
Notary Public
Lincoln County, WY
My Commission Expires
Nov. 16, 1999

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached hereto and made a part of that certain Ratification Of Oil and Gas Lease dated ~~June 16~~ July 10, 1998, by and between Community First National Bank, of Kemmerer, Wyoming, successor to First National Bank of Kemmerer, Trustee under that irrevocable Trust dated October 18, 1971 for the benefit of the Children of Robert M. Miller, Ratifior, and Starwood, Inc., a Texas Corporation, Ratifiee.

DESCRIPTION OF LANDS

Township 31 North, Range 110 West, 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, 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, 6th P.M.
Section 4: Lots 3,4, 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, SE/4NE/4, /2SE/4

Township 35 North, Range 111 West, 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, 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, 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 the 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 the 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 of the above lands containing 8,717.23 acres, more or less.

Signed For Identification

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18,1971 for the
Benefit of the Children of Robert M. Miller

By: _____

RATIFICATION OF OIL AND GAS LEASE

WHEREAS, Starwood, Inc., a Texas Corporation, herein called "Lessee" is the owner of the following described Oil and Gas Lease, dated September 6, 1997, recorded in Volume 105 Oil and Gas, at Page 523 of the County Records of Sublette County, State of Wyoming, between Shad Z. Roberts and Patricia M. Roberts, husband and wife, as Lessor(s), and Starwood, Inc., a Texas Corporation, as Lessee, in so far as said lease covers the following lands situated in said County and State:

For Description Purposes, See Exhibit "A" Attached Hereto And Made A Part Hereof.

WHEREAS, the undersigned desire to ratify, adopt and confirm said lease;

THEREFORE, for valuable consideration paid to the undersigned, receipt of which is hereby acknowledged, the undersigned hereby ratify, adopt and confirm said lease, and hereby grant, lease, and let to Lessee, or its heirs, successors, and assigns, the land covered by said lease, as set out above, upon and subject to the same terms and conditions set out in said lease; provided however, the undersigned shall not be paid any portion of the initial bonus considerations nor rentals payable under said lease, but such bonus considerations and rentals shall be paid to Lessor therein named, his (her) heirs, legal representatives, or assigns. And I do hereby agree and declare that said lease in all of its terms and provisions is binding on me and is a valid and subsisting oil, gas and mineral lease.

Witness our hands and seals this 16th day of June, 19 98.

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18, 1971 for
the Benefit of the Children of Robert M. Miller

By: _____, President

RECORDED July 10, 1998 2:50 PM
IN BOOK 108 O+G PAGE 1108
FEES $21.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cat Sexton

268152

Acknowledgement-Corporate
(For use in all states)

State Of Wyoming)
) ss.
County of Lincoln)

On this 16th day of June, A.D. 19 98, before me personaly appeared T. Mark Mickelson, to me personally known, who, being by me duly sworn, did say that he is the President of Community First National Bank, of Kemmerer, Wyoming, Successor to The First National Bank of Kemmerer, Wyoming, Trustee Under That Irrevocable Trust dated October 18, 1971 for the Benefit of the Children of Robert M. Miller and that the seal affixed to said instrument is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 11-16-99

Paula M. Ferentchak
Notary Public
Address: Kemmerer, Wyoming

Paula M. Ferentchak
Notary Public
Lincoln County, WY
My Commission Expires
Nov. 16, 1999

EXHIBIT "A"

Attached hereto and made a part of that certain Ratification Of Oil and Gas Lease dated July 16, 1998, by and between Community First National Bank, of Kemmerer, Wyoming, successor to First National Bank of Kemmerer, Trustee under that irrevocable Trust dated October 18, 1971 for the benefit of the Children of Robert M. Miller, Ratifior, and Starwood, Inc., a Texas Corporation, Ratifiee.

DESCRIPTION OF LANDS

Township 31 North, Range 110 West, 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, 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, 6th P.M.
Section 4: Lots 3,4, 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, SE/4NE/4, /2SE/4

Township 35 North, Range 111 West, 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, 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, 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 the 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 the 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 of the above lands containing 8,717.23 aces, more or less.

Signed For Identification

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18,1971 for the
Benefit of the Children of Robert M. Miller

By: _____

RATIFICATION OF OIL AND GAS LEASE

WHEREAS, Starwood, Inc., a Texas Corporation, herein called "Lessee" is the owner of the following described Oil and Gas Lease, dated September 6, 1997, recorded in Volume 105 Oil and Gas, at Page 537 of the County Records of Sublette County, State of Wyoming, between Robert M. Miller and Tara L. Miller, husband and wife., as Lessor(s), and Starwood, Inc., a Texas Corporation, as Lessee, in so far as said lease covers the following lands situated in said County and State:

For Description Purposes, See Exhibit "A" Attached Hereto And Made A Part Hereof.

268153

RECORDED July 10, 1998 2:50PM
IN BOOK 108 OR6, PAGE 170
FEES $21.00 M L Lyle COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sayfon

WHEREAS, the undersigned desire to ratify, adopt and confirm said lease;

THEREFORE, for valuable consideration paid to the undersigned, receipt of which is hereby acknowledged, the undersigned hereby ratify, adopt and confirm said lease, and hereby grant, lease, and let to Lessee, or its heirs, successors, and assigns, the land covered by said lease, as set out above, upon and subject to the same terms and conditions set out in said lease; provided however, the undersigned shall not be paid any portion of the initial bonus considerations nor rentals payable under said lease, but such bonus considerations and rentals shall be paid to Lessor therein named, his (her) heirs, legal representatives, or assigns. And I do hereby agree and declare that said lease in all of its terms and provisions is binding on me and is a valid and subsisting oil, gas and mineral lease.

Witness our hands and seals this 10th day of July, 19 98.

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18, 1971 for
the Benefit of the Children of Robert M. Miller

By: _____
, President

State Of Wyoming)
) ss.
County of Lincoln)

Acknowledgement-Corporate
(For use in all states)

On this 10th day of July, A.D. 19 98, before me personaly appeared T. Mark Mickelson, to me personally known, who, being by me duly sworn, did say that he is the President of Community First National Bank, of Kemmerer, Wyoming, Successor to The First National Bank of Kemmerer, Wyoming, Trustee Under That Irrevocable Trust dated October 18, 1971 for the Benefit of the Children of Robert M. Miller and that the seal affixed to said instrument is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 11-16-99

Paula M. Ferentchak
Notary Public
Address: Kemmerer, Wyoming

Paula M. Ferentchak
Notary Public
Lincoln County, WY
My Commission Expires
Nov. 16, 1999

EXHIBIT "A"

Attached hereto and made a part of that certain Ratification Of Oil and Gas Lease dated June 16, 1998, by and between Community First National Bank, of Kemmerer, Wyoming, successor to First National Bank of Kemmerer, Trustee under that irrevocable Trust dated October 18, 1971 for the benefit of the Children of Robert M. Miller, Ratifior, and Starwood, Inc., a Texas Corporation, Ratifiee.

DESCRIPTION OF LANDS

Township 31 North, Range 110 West, 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, 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, 6th P.M.
Section 4: Lots 3,4, 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, SE/4NE/4, /2SE/4

Township 35 North, Range 111 West, 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, 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, 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 the 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 the 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 of the above lands containing 8,717.23 aces, more or less.

Signed For Identification

Community First National Bank, of Kemmerer, Wyoming,
Successor to The First National Bank of Kemmerer, Trustee
Under That Irrevocable Trust dated October 18,1971 for the
Benefit of the Children of Robert M. Miller

By: _____

172

CORRECTION OF DESCRIPTION IN LEASE

WHEREAS, we the undersigned, as lessors, did under date of November 13, 1997, make and execute unto High Plains Associates, Inc. as lessee, our certain oil and gas lease, covering certain lands owned by us, situated in Sublette County, Wyoming State, and described in said lease as follows, to-wit:

Township 33 North, Range 108 West
Section 33: S½SE¼ & NW¼SE¼

Township 32 North, Range 108 West
Section 5: Lot 3(34.79), Lot 4(34.68), SW¼SE¼ and all that part of the SW¼NW¼, lying and being North of Wyoming State Highway 187 (containing 32.90 acres, more or less)
Section 6: All that part of Lot 4, lying and being North of Wyoming State Highway 187 (containing 31.54 acres, more or less)
Section 20: NE¼NE¼ Section 21: NW¼NW¼

AND WHEREAS, said description is incomplete and indefinite, and the lands intended to be covered by said lease are more accurately described as follows, to-wit:

Township 33 North, Range 108 West
Section 33: S½SE¼ & NW¼SE¼

Township 32 North, Range 108 West
Section 5: Lot 3(34.79), Lot 4(34.68), SE¼NW¼, and all that part of the SW¼NW¼, lying and being North of Wyoming State Highway 187 (containgin 32.90 acres, More or less
Section 6: All that part of Lot 4, lying and being north of Highway 187
Section 20: NE¼NE¼ Section 21: NW¼NW¼

in said County and State:

NOW, THEREFORE, in consideration of the premises, and for the purpose of making the said lease more definite and certain in respect to the identity of the lands intended to be covered thereby, we do hereby declare that it was and is our intention to lease for oil and gas purposes the identical tract of land last above described; and we hereby amend said lease in respect to the description of the lands included therein, as aforesaid, and ratify and adopt the same as so amended.

WITNESS our hands and seals this 16th day of March, A. D. 1998.

268184

4:20p

RECORDED July 13 1998 M
IN BOOK 108 O+G PAGE 172
FEES $6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Sooter

Elizabeth A. Ellis (Seal)
Elizabeth A. Ellis, Trustee of the Anne E. Barger Family Trust (Seal)
(Seal)
(Seal)
(Seal)

STATE OF Wyoming }
COUNTY OF Sublette } ss.

ACKNOWLEDGMENT

I, Raymond C. Munson, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY That Elizabeth A. Ellis, Trustee of the Anne E. Barger Family Trust personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she signed, sealed and delivered the said Instrument as her free and voluntary act, for the uses and purposes therein set forth.

GIVEN Under my hand and affixed my notarial seal, this 16th day of March MAY, A. D. 1998.

Raymond C. Munson
Pinedale, Wyoming

RAYMOND C. MUNSON NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES OCT. 31, 2001

[redacted] [redacted] [redacted]

ASSIGNMENT OF OIL AND GAS

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, 8 Way Oil & Gas, Inc., P. O. Box 371, Midland, TX 79702, hereinafter call Assignor, for and in consideration of Five Hundred Dollars ($500.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby assign, transfer and set over unto

Sublette Properties
P.O. Box 732
Pinedale, WY 82941

herein called Assignee, all of his right, title and interest in and to the oil and gas lease in Sublette County, Wyoming, hereinafter set forth, to-wit:

LESSOR: Pvt.
LEASE NO.: Fee Lease
DESCRIPTION T 30 N, R 113 W, 6th P.M.
Section 20: NE1/4,NW1/4.

Containing in all 120.00 ACRES, MORE OR LESS.

it being the intention of Assignor to convey all of their interest in the entire NE1/4,NW1/4 of said Section 20 to Assignee, together with the rights incident thereto and the personal property thereon, appurtenant there to, or used or obtained in connection therewith.

This assignment is made subject to all the terms and conditions of, including any and all benefits which may derive from the following:

1. That certain Judgment and Decree entered 6/21/82 in Civil No. 6041 in the District Court, Third Judicial District, State of Wyoming and affirmed by the Supreme Court for the State of Wyoming, Case No. 5734.

2. That certain Operating Agreement, dated 10/15/84, naming Christmann Energy Corporation as Operator, covering the NE1/4,NW1/4 of Section 20, T 30 N, R 113 W.

And for the same consideration the Assignor covenants with the Assignee, its heirs, successors, or assigns: That the Assignor is the lawful owner of and has good title to the interests above assigned in and to said lease, estates, rights, and properties, free and clear from all liens, encumbrances or adverse claims: That said lease is valid and subsisting on the land above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed.

This assignment is executed without warranty of title express or implies.

Separate assignments of the interests may be executed on officially approved forms by Assignor and Assignee, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, power and privileges set forth herein as fully as though they were set forth in each assignment. The interests conveyed by such separate assignments are the same, and not in addition to the interests conveyed herein.

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.

26825

RECORDED July 17 19 92 4:35 PM
IN BOOK 108 O&G PAGE 173
FEES $ 8.00 M. L. Lahl COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Karla Page

EXECUTED this 13th **day of** July, **19**98

President, 8 Way Oil & Gas, Inc.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WYOMING)
) SS.
COUNTY OF SUBLETTE)

On this_____day of _____, 199 _, before me, a Notary Public, personally appeared _____ ., to me known to be signor of the foregoing instrument, who duly acknowledged to me that he executed the same.

My commission expires:

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 13th day of July, 1998, by W. Wesley Perry, President of 8 Way Oil & Gas, Inc., a Texas Corporation, on behalf of said Corporation.

My Commission Expires:

1-11-99

MIKE KETTER
MY COMMISSION EXPIRES
January 11, 1999

Notary Public in and for the
State of Texas

WY-1123

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-015314

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

RECORDED July 21 1998 M 9:00A
IN BOOK 108 Misc PAGE 175
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sechler

1. Transferee (Sublessee)* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268288

*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 interest 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 30 North, Range 108 West, 6th P.M.					
Section 8: S/2, surface to 11,543 feet	100%	15%	85%	None	
Section 8: S/2, Below 11,543 feet	100%	15%	85%	None	
Section 9: S/2	66.667%	10%	56.667%	None	
Section 10: S/2	66.667%	10%	56.667%	None	
Section 10: NE/4	100%	15%	85%	None	
Section 14: SW/4	66.667%	10%	56.667%	None	
Section 15: All	66.667%	10%	56.667 %	None	
Section 17: N/2, surface to 11,543 feet	100%	15%	85%	None	
Section 17: N/2, below 11,543 feet	100%	15%	85%	None	
Section 22: NE/4, surface to 11,543 feet	100%	15%	85%	None	
Section 22: NE/4, below 11,543 feet	100%	15%	85%	None	
Section 23: NW/4, surface to 11,543 feet	100%	15%	85%	None	
Section 23: NW/4, below 11,543 feet	100%	15%	85%	None	
Containing 2,560.00 acres, more or less Sublette Co., WY					

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)

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 26th day of March, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26th day of March, 1998.

(SEAL)

Amy Barton
NOTARY PUBLIC

My Commission expires: 7/18/2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 26th day of March, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
Please type or print

Transferor: _____ (Signature)

or Attorney-in-fact: R. G. "Jerry" Albertus (Signature)
R. G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee: _____ (Signature)

or Attorney-in-fact: Ralph W. Ponfick (Signature)
Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1124

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-06269

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Lance Oil & Gas Company Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest or payments

2. This transfer (sublease) 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 31 North, Range 109 West, 6th P.M.					
Section 13: All	66.667%	10%	56.667%	None	
Section 14: E/2	66.667%	10%	56.667%	None	
Section 24: N/2, SE/4, E/2SW/4	66.667%	10%	56.667%	None	
Section 25: All	66.667%	10%	56.667 %	None	
Section 35: W/2, S/2NE/4 surface to 11,543 feet	100%	15%	85%	None	
Section 35: W/2, S/2NE/4, below 11,543 feet	100%	15%	85%	None	
Containing 2,560.00 acres, more or less Sublette Co., WY					

268288
Q68289

RECORDED July 21 1998 M 9:00A
IN BOOK 108 OTG PAGE 177
FEES 8.00 COUNTY CLERK
SUBL PINEDALE, WYOMING
By Cathy Saxton

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)

State of COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26th day of March, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26th day of March, 1998.

NOTARY PUBLIC STATE OF COLORADO AMY BARTON (SEAL)

Amy Barton
NOTARY PUBLIC

My Commission Expires: 7/18/2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 26th day of March, 19 98

Name of Transferor ULTRA RESOURCES, INC.
Please type or print

Transferor _____ (Signature)

or Attorney-in-fact R. G. "Jerry" Albertus (Signature)
R. G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee _____ (Signature)

or Attorney-in-fact Ralph W. Ponfick (Signature)
Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1125

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-06270

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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

RECORDED July 21 1998 M 9:00a
IN BOOK 108 PAGE 179
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Rueston

1. Transferee (Sublessee)* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268290

*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 interest 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 31 North, Range 109 West, 6th P.M.					
Section 1: Lots 1,2,3,4, S/2NW/4, NW/4SW/4	100%	15%	85%	None	
Section 2: Lots 1,2, S/2NE/4	100%	15%	85%	None	
Section 2: Lots 3, 4, S/2NW/4, S/2	66.667%	10%	56.667%	None	
Section 3: All	66.667%	10%	56.667%	None	
Section 9: S/2SE/4, surface to 11,543 feet	100%	15%	85%	None	
Section 9: S/2SE/4, below 11,543 feet	100%	15%	85%	None	
Section 10: W/2, surface to 11,543 feet	100%	15%	85%	None	
Section 10: W/2, below 11,543 feet	100%	15%	85%	None	
Section 10: NE/4, NW/4SE/4	66.667%	10%	56.667%	None	
Section 11: N/2NW/4	66.667%	10%	56.667 %	None	
Section 12: Lots 8,10, SE/4SW/4	66.667%	10%	56.667%	None	
Section 12: Lots 6,7, S/2SE/4, NE/4SE/4	100%	15%	85%	None	
Containing 2,535.95 acres, more or less Sublette Co., WY					

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 DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26 day of March, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26 day of March, 1998.

Amy Barton
NOTARY PUBLIC

(SEAL)

My Commission expires: 7/18/2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 26th day of March, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
Please type or print

Transferor or Attorney-in-fact: R. G. "Jerry" Albertus, President (Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee or Attorney-in-fact: Ralph W. Ponfick, Attorney-In-Fact (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, (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 (1004-0034), 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

WY-1127

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-06286

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)* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

*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 interest 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 32 North, Range 109 West, 6th P.M.				None	
Section 27: NW/4	100%	15%	85%		
Section 27: S/2	66.667%	10%	56.667%		
Section 28: NE/4, surface to 11,543'	100%	15%	85%		
Section 28: NE/4, below11,543'	100%	15%	85%		
Section 28: SE/4	66.667%	10%	56.667%		
Section 33: E/2	66.667%	10%	56.667%		
Section 34: All	66.667%	10%	56.667 %		
Section 35: N/2, SE/4	100%	15%	85%		
Section 35: SW/4	66.667%	10%	56.667%		

268291

Containing 2,400.00 acres, more or less
Sublette Co., WY

RECORDED July 21 1998 at 9:00a
IN BOOK 108 OR6 PAGE 181
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Saxton

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)

181

State of COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 10 day of April, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 10 day of April, 1998.

Amy Barton
NOTARY PUBLIC

(SEAL)

NOTARY PUBLIC AMY BARTON STATE OF CO

My Commission expires: 7/18/2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 10th day of April, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
Please type or print

Transferor
(Signature)
or
Attorney-in-fact R. G. "Jerry" Albertus, President
(Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee
(Signature)
or
Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1128

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-06933

Lease Effective Date
(Anniversary Date)
7/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 Section 7: NE/4 Containing 160.00 acres, more or less (It is the intent of this assignment to convey 15% of the record title owned by Assignor and associated Operating Rights in the described lands.) 268292	100%	15%	85%	-0-	Of record

RECORDED July 21 1998 M 9:00
IN BOOK 108 O+G PAGE 183
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cath Jacobson

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)

183

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26 day of May, 1998.

NOTARY PUBLIC

(SEAL) NOTARY PUBLIC

My Commission expires MY COMMISSION EXPIRES MARCH 17, 2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 26th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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

WY-1129

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-015315

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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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
TRACT I:	50%	7.5%	42.5%	-0-	Of record
Below 12,050' or base of Fort Union:					
Township 32 North, Range 109 West, 6th P.M.					
Section 7: Lots 1 & 6					
Section 7: Lots 2,5,7,8,11,12					
Section 18: E/2					
Section 19: E/2					
Section 20: All					
Section 21: W/2					
Township 33 North, Range 109 West, 6th P.M.					
Section 32: SW/4, S/2NW/4, NE/4NW/4					
TRACT II:	25%	3.75%	21.25%	-0-	Of record
Surface to 12,050' or base of Fort Union:					
Township 32 North, Range 109 West, 6th P.M.					
Section 7: Lots 2,5,7,8,11,12					
Section 18: E/2					
Section 19: E/2					
Section 20: All					
Section 21: W/2					
Containing 2,537.34 acres, more or less, Sublette Co., WY					

268293
9:00A
RECORDED July 21 1998 M
IN BOOK 108 OR6 PAGE 185
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This 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 assignees in Item No. 1, if needed, or for Land Description in Item No. 2, if needed.

State of COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26 day of May, 1998.

NOTARY PUBLIC

(SEAL) My Commission expires: MY COMMISSION EXPIRES MARCH 17, 2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 26th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC. (Please type or print)

Assignor _____ (Signature)

or

Attorney-in-fact _____ (Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____ (Signature)

or

Attorney-in-fact Ralph W. Ponfick (Signature)
Ralph W. Ponfick, Attorney-In-Fact

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

WY-1130

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-015316

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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
TRACT I: Township 30 North, Range 108 West, 6th P.M. Section 4: Lots 3, 4, S/2NW/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	66.667%	10%	56.667%	-0-	Of record
TRACT II: Township 30 North, Range 108 West, 6th P.M. Section 3: SW/4 Section 4: Lots 1, 2, S/2NE/4 Township 31 North, Range 108 West, 6th P.M. Section 29: NE/4 Section 33: NW/4	100%	15%	85%	-0-	Of record

268294
RECORDED July 21 1998 M 9:00 a
IN BOOK 108 Oil & GAS PAGE 187
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By 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)

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

My Commission expires: 3.17.2000

NOTARY PUBLIC

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 13th day of May, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
Please type or print

Transferor: M. Jerry Albertus (Signature)

or Attorney-in-fact: _____ (Signature)

R. G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee: _____

or Attorney-in-fact: Ralph W. Ponlick (Signature)

Ralph W. Ponlick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1131

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-015317

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

RECORDED July 21 1998 M 9:00 A
IN BOOK 108 Oil & G PAGE 189
FEES $5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lawton

268295

1. Transferee (Sublessee)* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

*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 interest 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 32 North, Range 109 West, 6th P.M.				None	Of record
Section 4: Lots 8,9,10,15,16, surface to 12,050' or base of Fort Union	25%	3.75%	21.25%		
Section 4: Lots 8,9,10,15,16, Below 12,050' or base of Fort Union	50%	7.5%	42.5%		
Section 9: N/2, N/2SW/4, N/2SE/4, SE/4SE/4, Surf to 12,050' or base of Fort Union	25%	3.75%	21.25%		
Section 9: N/2, N/2SW/4, N/2SE/4, SE/4SE/4, Below 12,050' or base of Fort Union	50%	7.5%	42.5%		
Section 15: W/2, Surface to 12,050' or base of Fort Union	25%	3.75%	21.25%		
Section 15: W/2, Below 12,050' or base of Fort Union	50%	7.5%	42.5%		
Section 21: NE/4, Surface to 12,050' or base of Fort Union	25%	3.75%	21.25%		
Section 21: NE/4, Below 12,050' or base of Fort Union	50%	7.5%	42.5%		
Section 22: N/2, Surface to 12,050' or base of Fort Union	25%	3.75%	21.25%		
Section 22: N/2, Below 12,050' or base of Fort Union	50%	7.5%	42.5%		
Township 33 North, Range 109 West, 6th P.M.					
Section 34: W/2E/2, E/2W/2	50%	7.5%	42.5%		
Containing 1,960.17 acres, more or less Sublette Co., WY					

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)

State of COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 7th day of April, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 7th day of April, 1998.

NOTARY PUBLIC STATE OF COLORADO AMY BARTON

Amy Barton
NOTARY PUBLIC

(SEAL)

My Commission expires: 11/5/2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 7th day of April, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
Please type or print

Transferor: _____ (Signature)

or Attorney-in-fact: R. G. "Jerry" Albertus, President (Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee: _____ (Signature)

or Attorney-in-fact: Ralph W. Pomfick (Signature)

Ralph W. Pomfick, Attorney-in-Fact

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, (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 (1004-0034), 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

WY-1134

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-016162

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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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
TRACT I: Township 30 North, Range 108 West Section 1: Lots 2, 3, 4, SW/4NE/4, S/2, S/2NW/4 Section 2: All Section 3: Lots 1,2,3,4, S/2N/2, N/2SE/4, SE/4SE/4 Section 11: W/2E/2, NW/4 Section 27: E/2, E/2W/2	100%	15%	85%	None	Of record
TRACT II: Township 30 North, Range 108 West Section 11: SW/4 Containing 2512.17 acres, more or less Sublette Co., WY	66.667%	10%	56.667%	None	Of record

268296

RECORDED July 21 9:00 AM
IN BOOK 108 OR PAGE 191
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

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)

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

My Commission expires: 3.17.2000

NOTARY PUBLIC

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 13th day of May, 1998

Name of Transferor: ULTRA RESOURCES, INC. (Please type or print)

Transferor: (Signature)

or Attorney-in-fact: R. G. "Jerry" Albertus, President (Signature)

304 Inverness Way South, Suite 295 (Transferor's Address)

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

Executed this 9th day of July, 1998

LANCE OIL & GAS COMPANY, INC.

Transferee

or Attorney-in-fact: Ralph W. Ponfick (Signature)

Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1135

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-018039

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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
TRACT I: Township 30 North, Range 108 West Section 3: SW/4SE/4 Section 14: SW/4SE/4 Section 17: SE/4SE/4 Section 18: NE/4NE/4 Section 22: NE/4SW/4 Section 23: SW/4NE/4 Township 31 North, Range 108 West Section 33: NW/4NE/4, SW/4SE/4	100%	15%	85%	None	Of record
TRACT II: Township 30 North, Range 108 West Section 14: NW/4NW/4 Containing 360.00 acres, more or less Sublette Co., WY	66.667%	10%	56.667%	None	Of record

268297
RECORDED July 21 1998 M 9:00A
IN BOOK 108 O&G PAGE 193
FEES $5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sooter

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)

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of MAY, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of MAY, 1998.

NOTARY PUBLIC

My Commission expires: 3.17.2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 13th day of May, 19 98

Name of Transferor ULTRA RESOURCES, INC.
Please type or print

Transferor _____
(Signature)

or
Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee _____

or
Attorney-in-fact _____
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1136

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-026025

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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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
TRACT I: Township 31 North, Range 109 West, 6th P.M. Section 14: S/2NW/4, SW/4 Section 23: E/2 Section 24: W/2SW/4	66.667%	10%	56.667%	-0-	Of record
TRACT II: Township 31North, Range 109 West, 6th P.M. Section 15: Lots 7,8, E/2SW/4, SE/4 Section 22: NW/4, E/2 Section 23: W/2 Section 26: All Section 27: E/2NE Section 35: N/2NE/4 Containing 2,537.34 acres, more or less, Sublette Co., WY	100%	15%	85%	-0-	Of record

268298

RECORDED July 21, 1998 M 9:00a
IN BOOK 108 OR 8 PAGE 195
FEES $ 9.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Southern

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)

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

My Commission expires: 3.17.2000

NOTARY PUBLIC

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 13th day of May, 1998

Name of Transferor: ULTRA RESOURCES, INC.
(Please type or print)

Transferor: (Signature)

or Attorney-in-fact: R. G. "Jerry" Albertus, President (Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 1998

LANCE OIL & GAS COMPANY, INC.

Transferee

or Attorney-in-fact: Ralph W. Ponfick (Signature)

Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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]

WY-1137

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-026026

Lease Effective Date
(Anniversary Date)
4/1/50

New Serial No.

Type or print plainly in ink and sign in ink.

RECORDED July 31 19 98 9:00a
IN BOOK 108 OR PAGE 197
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268299

*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 interest 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					
Section 11: Lot 1	66.667%	10%	56.667%	-0-	Of record
Section 12: Lot 5	100%	15%	85%		
Section 12: Lot 9	66.667%	10%	56.667%		
All the bed of the New Fork River between the mean high water mark and the medial lines thereof in front of and appurtenant to Lot 1, Section 11; and Lots 8,9,10 of Section 12.	66.667%	10%	56.667%		
All the bed of the New Fork River between the mean high water mark and the medial lines thereof in front of and appurtenant to Lots 5,6 & 7 of Section 12.	100%	15%	85%		
That part of Section 15 (containing 27.42 acres) located in the river bed	100%	15%	85%		
Containing 197.60 acres, more or less, Sublette County, Wyoming					
(It is the intent of this assignment to convey 15% of the record title owned by Assignor and associated Operating Rights in the described lands.)					

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)

197

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.

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

NOTARY PUBLIC

My Commission expires: 3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact _____
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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

WY-1138

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-08589

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

RECORDED July 21 1998 M 9:00a
IN BOOK 108 D16 PAGE 199
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Smith

1. Transferee (Sublessee)* Lance Oil & Gas Company
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268300

*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 interest 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 32 North, Range 109 West, 6th P.M.					
Section 5: SW/4SW/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%	NONE	
Section 5: Lots 2,3,4,SE/4, N/2SW/4,SE/4SW/4, surface to 12,050' or base of Fort Union	25.000%	3.750%	21.250%		
Section 5: Lots 2,3,4,SE/4, N/2SW/4,SE/4SW/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 6: Lot 8, S/2SE/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 6: Lots 1,2,3,4,5,6,7,9,10, N/2SE/4, surface to 12,050' or base of Fort Union	25.000%	3.750%	21.250%		
Section 6: Lots 1,2,3,4,5,6,7,9,10, N/2SE/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 7: NE/4, N/2SE/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 7: S/2SE/4, surface to 12,050' or base of Fort Union	25.000%	3.750%	21.250%		
Section 7: S/2SE/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 8: W/2NW/4, NW/4SW/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 8: E/2NW/4, SW/4SW/4, E/2SW/4, E/2, surface to 12,050' or base of Fort Union	25.000%	3.750%	21.250%		
Section 8: E/2NW/4, SW/4SW/4, E/2SW/4, E/2, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Section 17: N/2NE/4, SW/4NE/4, W/2, W/2SE/4, SE/4SE/4, surface to 12,050' or base of Fort Union	25.000%	3.750%	21.250%		
Section 17: N/2NE/4, SW/4NE/4, W/2, W/2SE/4, SE/4SE/4, below 12,050' or base of Fort Union	50.000%	7.500%	42.500%		
Containing 2,416.55 acres, more or less Sublette Co., WY					

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)

State of COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26th day of March, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26th day of March 1998.

(SEAL)

My Commission expires: 7/18/2000

Amy Barton
NOTARY PUBLIC

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 26th day of March, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
(Please type or print)

Transferor or Attorney-in-fact: R. G. "Jerry" Albertus, President
(Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

Transferee: LANCE OIL & GAS COMPANY, INC.

or Attorney-in-fact: Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-in-Fact

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, (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 (1004-0034), 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

WY-1140

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-08593

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.

RECORDED July 01 1998 M 9:00a
IN BOOK 208 PAGE 201
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barker

PART A: TRANSFER

1. Transferee (Sublessee)* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268301

*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 interest 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
TRACT I: Township 33 North, Range 109 West, 6th P.M. Section 17: S/2NE/4, W/2, SE/4 Section 18: Lots 1,2,3,4, E/2W/2, E/2 Section 19: W/2E/2, N/2NE/4NE/4, SW/4NE/4NE/4, W/2SE/4NE/4, W/2NE/4SE/4, W/2SE/4SE/4 Section 20: N/2NW/4NW/4, N/2NE/4NW/4, N/2NW/4NE/4, N/2NE/4NE/4, SE/4NE/4NE/4, E/2SE/4NE/4, E/2SE/4SE/4, E/2NE/4SE/4 Section 21: W/2NE/4, NW/4, N/2S/2	50%	7.5%	42.5%	-0-	Of record
TRACT II: Township 33 North, Range 109 West, 6th P.M. Section 19: SE/4NE/4NE/4, E/2SE/4NE/4, E/2E/2SE/4 Section 20: SW/4NE/4NE/4, S/2NW/4NE/4, SW/4NE/4, W/2SE/4NE/4, S/2N/2NW/4, S/2NW/4, SW/4, W/2SE/4, W/2E/2SE/4	30%	4.5%	25.5%	-0-	Of record
Containing 2,560.00 acres, more or less, Sublette Co., WY					

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)

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

My Commission expires: 3.17.2000

NOTARY PUBLIC

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 13th day of May, 19 98

Name of Transferor ULTRA RESOURCES, INC. (Please type or print)

Transferor (Signature)

or Attorney-in-fact (Signature)

R. G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee (Signature)

or Attorney-in-fact Ralph W. Ponfick

Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-1141

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-114051

Lease Effective Date
(Anniversary Date)
12/1/88

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 110 West Section 23: All Containing 640.00 acres, more or less Sublette County, Wyoming	100%	15%	85%	-0-	Of record

268302
RECORDED July 21, 1998 M 9:00A
IN BOOK 108 OR PAGE 203
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cath Saxton

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

NOTARY PUBLIC

My Commission expires:
3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98
LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-in-Fact

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.

This 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

WY-1142

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-113418

Lease Effective Date
(Anniversary Date)
10/10/98

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 110 West Section 22: E/2E/2, NW/4NE/4 Section 26: All Section 27: E/2E/2 Section 34: E/2NE/4, NE/4SE/4 Section 35: All Containing 1,760.00 acres, more or less Sublette County, Wyoming	100%	15%	85%	-0-	Of record

268303

9.00

RECORDED July 21 1998 M
IN BOOK 108 016 PAGE 205
FEES $ 9.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Saxton

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

NOTARY PUBLIC

(SEAL)

My Commission expires:
[illegible] 2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98
LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Pomfret
(Signature)

Ralph W. Pomfret, Attorney-in-Fact

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] [redacted]

WY-1143

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-113417

Lease Effective Date
(Anniversary Date)
10/10/98

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 110 West Section 2: Lots 1,2,3,4,S/2S/2 Section 3: Lots 1,2,3,4,S/2S/2 Section 4: Lots 1,2,S/2SE/4 Section 11: E/2NE/4 Containing 891.26 acres, more or less Sublette County, Wyoming	100%	15%	85%	-0-	Of record

268304

RECORDED July 21 1998 M 9:00a
IN BOOK 105 PAGE 207
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 13 day of MAY, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of MAY, 1998.

NOTARY PUBLIC

(SEAL)

My Commission expires:
3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98
LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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

WY-1144

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-133768

Lease Effective Date
(Anniversary Date)
10/1/94

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 109 West Section 13: S/2NW/4, S/2 Section 14: All Containing 1040.00 acres, more or less Sublette County, Wyoming	100%	15%	85%	-0-	Of record

268305

RECORDED July 21 1998 M 9:00
IN BOOK 108 OR PAGE 209
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

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.

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

My Commission expires:
3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98
LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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

WY-1145

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-135124

Lease Effective Date
(Anniversary Date)
2/1/95

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 32 North, Range 109 West Section 21: SE/4 Section 22: S/2 Section 23: All Section 24: W/2NW/4, SE/4NW/4, S/2 Containing 1,560 acres, more or less Sublette County, Wyoming	100%	15%	85%	-0-	Of record

268306

RECORDED July 21 1998 M 9:00 A
IN BOOK 108 BK2 PAGE 211
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

(SEAL)

NOTARY PUBLIC

My Commission expires:
3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98
LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-In-Fact

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

WY-1146

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-06934

Lease Effective Date
(Anniversary Date)
7/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

RECORDED July 21, 1998 M 9:00 a
IN BOOK 08 015 PAGE 213
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

1. Assignee* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268307

*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 interest 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					
Section 6: Lots 1,2, S/2NE/4	66.667%	10%	56.667%	-0-	Of record
Section 6: SE/4	100%	15%	85%		
Section 7: Lots 3,4, E/2SW/4, SE/4	100%	15%	85%		
Township 31 North, Range 108 West					
Section 19: E/2	100%	15%	85%		
Section 29: W/2	66.667%	10%	56.667%		
Section 31: E/2	66.667%	10%	56.667%		
Township 30 North, Range 109 West					
Section 11: SE/4	100%	15%	85%		
Section 12: S/2	100%	15%	85%		
Containing 2045.94 acres, more or less					
(It is the intent of this assignment to convey 15% of the record title owned by Assignor and associated Operating Rights in the described lands.)					

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)

213

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26 day of May, 1998.

(SEAL)

My Commission expires: MY COMMISSION EXPIRES MARCH 17, 2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 26th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor _____ (Signature)

or

Attorney-in-fact _____ (Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____ (Signature)

or

Attorney-in-fact Ralph W. Ponfick (Signature)

Ralph W. Ponfick, Attorney-in-Fact

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

WY-1147

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-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* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268308

RECORDED July 21, 1998 M 9:00
IN BOOK 105 OR PAGE 215
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Burton

*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 interest 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 Section 7: W/2SE/4 Section 18: All Section 19: All Section 20: E/2SE/4, W/2E/2, W/2 Section 30: Lots 1,2,3,4, E/2W/2, W/2NE/4 Containing 2,138.40 acres, more or less Sublette County, Wyoming (It is the intent of this assignment to convey 15% of Assignor's Record Title, associated Operating Rights and ORRI in the described lands)	100%	15%	85%	-0-	Of record

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.

ACKNOWLEDGMENT (For use by Corporation)

State of COLORADO)
) ss.
County of DOUGLAS)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

NOTARY PUBLIC

(SEAL)

My Commission expires: 3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
Please type or print

Assignor _____ (Signature)

or

Attorney-in-fact _____ (Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____ (Signature)

or

Attorney-in-fact Ralph W. Ponfick (Signature)

Ralph W. Ponfick, Attorney-in-Fact

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

WY-1148

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-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

RECORDED July 21 1998 M 9:00 A
IN BOOK 108 MISC PAGE 217
FEES $5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Bobbi Sorton

1. Assignee* Lance Oil & Gas Company, Inc.
Street 12200 N. Pecos Street
City, State, ZIP Code Denver, CO 80234

268309

*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 interest 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 Section 3: Lot 4, SW/4NW/4, W/2SW/4, SE/4SW/4 Township 33 North, Range 109 West Section 19: Lots 1,2,3,4, E/2W/2 Section 27: SW/4, SW/4NW/4, SW/4SE/4 Section 30: W/2NE/4NE/4, SE/4NE/4NE/4, NW/4, S/2, W/2NE/4, SE/4NE/4 Section 31: All Section 34: E/2E/2 Section 35: SW/4, SW/4NW/4 Containing 2,357.52 acres, more or less Sublette County, Wyoming (It is the intent of this assignment to convey a proportionate 15% of Assignor's Record Title and associated Operating Rights in the described lands)	50%	7.5%	42.5%	-0-	Of record

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)

217

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 13 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 13 day of May, 1998.

NOTARY PUBLIC

My Commission expires:
3.17.2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 13th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____ (Signature)

or

Attorney-in-fact _____ (Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98
LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____ (Signature)

or

Attorney-in-fact Ralph W. Ponfick (Signature)
Ralph W. Ponfick, Attorney-In-Fact

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

WY-1343

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-144995

Lease Effective Date
(Anniversary Date)
7/1/51

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 108 West Section 17: SW/4 Section 18: E/2 Section 20: W/2 Containing 800.00 acres, more or less (It is the intent of this assignment to convey 15% of the record title owned by Assignor and associated Operating Rights in the described lands.) 268310	100%	15%	85%	-0-	Of record

RECORDED July 21 1998 M 9:00
IN BOOK 108 ONE PAGE 919
FEES $ 8.00 M. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Baxter

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)

219

220

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 COLORADO)
) ss.
County of DOUGLAS)

ACKNOWLEDGMENT (For use by Corporation)

On this 26 day of May, 1998, before me personally appeared R. G. "Jerry" Albertus, to me personally known, who, being by me duly sworn, did say that he is the President of Ultra Resources, Inc. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said R. G. "Jerry" Albertus acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 26 day of May, 1998.

NOTARY PUBLIC

My Commission Expires: MY COMMISSION EXPIRES MARCH 17, 2000

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 the assignment are located; (c) Assignee's chargeable interest, 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 to 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 26th day of May, 19 98

Name of Assignor as shown on current lease ULTRA RESOURCES, INC.
(Please type or print)

Assignor _____
(Signature)

or

Attorney-in-fact _____
(Signature)

R. G. "Jerry" Albertus, President
(Assignor's Address)

304 Inverness Wy S., Englewood, CO
(City) (State) (Zip Code)

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

BY:

Assignee _____
(Signature)

or

Attorney-in-fact Ralph W. Ponflick
(Signature)

Ralph W. Ponflick, Attorney-in-Fact

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

75743-000
Meadow Canyon

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 97-00569 Assignment Approval Date - JAN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

RECORDED April 21 1998 M 11:00 A
IN BOOK 108 Misc PAGE 221
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 31 North, Range 113 West
Section 16: N/2
Sublette County, Wyoming
Containing 320.00 acres, more or less

268319

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR 2.33% of 8/8ths overriding royalty interest., and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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 1 of Lease # 97-00569 assignment dated March 13, 1998

STATE LAND INVESTMENTS '98 APR 27 PM 11 0

75743-000
Meadow Canyon

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

STATE LANDS AND INVESTMENTS '98 MAY 18 AM 10 59

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
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.

98 JUN 11 AM 9 20

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.

STATE LANDS AND

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

224

75624-000
N. Almy Trend

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 95-00491 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

RECORDED July 21 1998 M 11:00 A
IN BOOK 1088-G PAGE 224
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shan Pape

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 32 North, Range 113 West, 6th P.M.
Section 16: All
Sublette County, Wyoming
Containing 640.00 acres, more or less

268320

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest, and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

[redacted] [redacted] 75624-000 [redacted]
N. Almy Trend

STATE LANDS AND INVESTMENTS '98 APR 27 PM 12 08

STATE LANDS AND INVESTMENTS '98 MAY 18 AM 10 58

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

ASSIGNOR - **ENRON OIL & GAS COMPANY**	ASSIGNEE (1) - **SENECA RESOURCES CORPORATION**
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
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.

STATE LANDS AND INVESTMENTS '98 APR 27 PM 12 08

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.

STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

75623-000
N. Almy Trend

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 95-00490 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

268321

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 31 North, Range 113 West, 6th P.M.
Section 16: S/2
Sublette County, Wyoming
Containing 320.00 acres, more or less

RECORDED July 21 1998 M 11:00 A
IN BOOK 108 O&G PAGE 227
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shelia Pape

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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 1 of Lease # 95-00490 assignment dated March 13, 1998

228

75623-000
N. Almy Trend

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

STATE LANDS AND INVESTMENTS
'98 MAY 18 PM 12 08

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris, Agent & Attorney-in-Fact	Title - William M. Petmecky, Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
By -	By -
Title -	Title -
Attest -	Attest -

STATE LANDS AND INVESTMENTS '98 APR 27 PM 11 09

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.

STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

230

75615-000
N. Almy Trend

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

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

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 95-00387 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

268322

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 34 North, Range 113 West, 6th P.M.
Section 36: All
Sublette County, Wyoming
Containing 640.00 acres, more or less

RECORDED July 21 1998 M 11:00 A
IN BOOK 108 e 36 PAGE 230
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shirley Page

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest, and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

[redacted] [redacted] 75615-000 [redacted]
N. Almy Trend

STATE LANDS AND INVESTMENTS
'98 MAY 18 AM 10 57

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

ASSIGNOR - **ENRON OIL & GAS COMPANY**	ASSIGNEE (1) - **SENECA RESOURCES CORPORATION**
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
By -	By -
Title -	Title -
Attest -	Attest -

STATE LANDS AND INVESTMENTS
'98 MAY 27 PM 11 10

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.

STATE LANDS AND INVESTMENTS
'98 JUN 12 AM 8 48

231

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

[redacted] [redacted] [redacted]

75613-000
N. Almy Trend

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 95-00385 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

268323

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 33 North, Range 113 West, 6th P.M.
Section 36: All
Sublette County, Wyoming
Containing 640.00 acres, more or less

RECORDED July 21 19 98 M 11:00 A
IN BOOK 108 OR 4 PAGE 233
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Barbara Pape

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest., and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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 1 of Lease # 95-00385 assignment dated March 13, 1998

234

75613-000
N. Almy Trend

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

STATE LANDS AND INVESTMENTS
'98 MAY 18 AM 10 57

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris, Agent & Attorney-in-Fact	Title - William M. Petmecky, Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
By -	By -
Title -	Title -
Attest -	Attest -

STATE LANDS AND INVESTMENTS
'98 APR 27 PM 11 10

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 mineral lease.

RECEIVED
'98 MAY 13 AM 8:30

STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY P BLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY F BLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

236

75612-000
N. Almy Trend

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

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

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 95-00384 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

RECORDED July 21 19 98 M 11:00 A
IN BOOK 168 OR PAGE 236
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kate Pope

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

268324

Township 33 North, Range 113 West, 6th P.M.
Section 26: S/2NE/4, SE/4NW/4, NE/4SW/4, S/2SW/4, SE/4
Sublette County, Wyoming
Containing 400.00 acres, more or less

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest, and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

10-

[redacted] [redacted] [redacted]

75612-000
N. Almy Trend

STATE LAND & FARM LOAN
INVESTMENTS
'98 MAY 18 AM 10 57

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris, Agent & Attorney-in-Fact	Title - William M. Petmecky, Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
By -	By -
Title -	Title -
Attest -	Attest -

'98 APR 27 PM 12 07
STATE LAND & FARM LOAN
INVESTMENTS

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.

STATE LAND & FARM LOAN
INVESTMENTS

237

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

[redacted] [redacted] [redacted]

75778-006
Meadow Canyon

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

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

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 95-00383 Assignment Approval Date - JUN 1

268325

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

RECORDED July 21 19 98 M 11:00 A
IN BOOK 168 Ovr PAGE 239
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Mary Pape

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 33 North, Range 113 West, 6th P.M.
Section 26: N/2N/2, SW/4NW/4, NW/4SW/4
Sublette County, Wyoming
Containing 240.00 gross acres and 120.00 net mineral acres

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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 1 of Lease # 95-00383 assignment dated March 13, 1998

239

240

STATE LANDS AND INVESTMENTS
'98 MAY 18 AM 10 56

75778-006
Meadow Canyon

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
By -	By -
Title -	Title -
Attest -	Attest -

'98 APR 27 PM 11 08
STATE LANDS AND INVESTMENTS

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.

'98 JUN 12 PM 3 16
STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

242

75610-000
N. Almy Trend

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 95-00382 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

268326

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

RECORDED July 21 1998 M
IN BOOK 108 O&G PAGE 242
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Shirley Pape

Township 33 North, Range 113 West, 6th P.M.
Section 23: SE/4
Sublette County, Wyoming
Containing 160.00 acres, more or less

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest., and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

75610-000
N. Almy Trend

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

STATE LANDS AND INVESTMENTS '98 APR 27 PM 11 07

STATE LANDS AND INVESTMENTS '98 MAY 18 AM 10 56

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
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.

STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

[redacted] [redacted] [redacted]

75778-004
Meadow Canyon

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 95-00380 Assignment Approval Date - JUN 10 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

268327
RECORDED July 21 1998 M 11:00 A
IN BOOK 108 O&G PAGE 245
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shaki Pape

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 33 North, Range 113 West, 6th P.M.
Section 22: S/2NE/4, SE/4NW/4, E/2SW/4, SE/4
Sublette County, Wyoming
Containing 360.00 gross acres and 180.00 net mineral acres

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest, and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

245

246

75778-004
Meadow Canyon

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

'98 MAY 18 AM 10 55

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
By -	By -
Title -	Title -
Attest -	Attest -

'98 APR 2 PM 11 06

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.

'98 JUN 17 AM 8

STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY P BLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY P BLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

248

75629-000
N. Almy Trend

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

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

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 95-00379 Assignment Approval Date - [illegible]

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

268328

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

Township 33 North, Range 113 West, 6th P.M.
Section 16: All
Sublette County, Wyoming
Containing 640.00 acres, more or less

RECORDED July 21 19 98 M 11:00 A
IN BOOK 108 O-6 PAGE 248
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shelli Pape

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest, and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

[redacted] [redacted] 75629-000 N. Almy Trend [redacted]

STATE LANDS AND INVESTMENTS '98 APR 27 PM 11 08

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

STATE LANDS AND INVESTMENTS '98 APR 16 AM 10 55

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris Agent & Attorney-in-Fact	Title - William M. Petmecky Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
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.

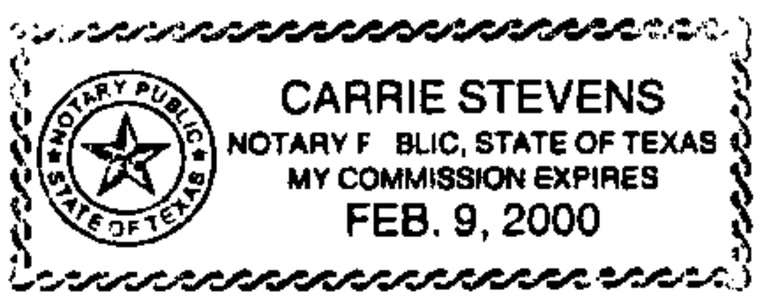
ST 6 WH II NOC 86
STATE LANDS AND INVESTMENTS

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

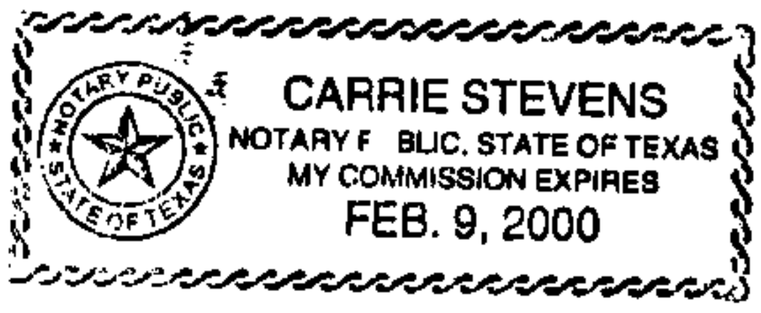


STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000



[redacted] [redacted] 75778-003 [redacted]
Meadow Canyon

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

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

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 94-00598 Assignment Approval Date - JUN 15 1998

ASSIGNOR, with name and address at, Enron Oil & Gas Company
1625 Broadway, Suite 1300
Denver, Colorado 80202

RECORDED July 21 19 98 M 11:00 A
IN BOOK 188 R & P PAGE 251
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Shelly Pope

being the owner of 100% percent Leasehold and Operating Rights
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)
interest in this lease, described in particular if less than the total leasehold as:

268329

Township 33 North, Range 113 West, 6th P.M.
Section 27: NE/4, E/2NW/4, NE/4SE/4
Sublette County, Wyoming
Containing 280.00 gross acres and 140.00 net mineral acres

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

1) ASSIGNEE, with name and address at: Seneca Resources Corporation
1200 Louisiana, Suite 400
Houston, Texas 77002

33 1/3 percent interest in the total leasehold, or as described in particular above.

2) ASSIGNEE, with name and address at: N/A

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

3) ASSIGNEE, with name and address at: N/A

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

4) ASSIGNEE, with name and address at: N/A

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

5) ASSIGNEE, with name and address at: N/A

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

And reserving unto ASSIGNOR, 2.33% of 8/8ths overriding royalty interest, and 66 2/3 percent in the total leasehold, or as described in particular above.

This assignment is subject to the terms and conditions of that certain unrecorded Acquisition, Exploration and Development Agreement dated effective March 1, 1998, by and between Assignor and Assignee. A separate assignment of the interests has been executed and filed in the records of Sublette County, Wyoming. Said county assignment(s) dated effective March 1, 1998 are the same, and not in addition to, the interests assigned hereunder.

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 canceled 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.

251

252

75778-003
Meadow Canyon

SIGNED AS TO TRANSFER AND ACCEPTANCE this 13th day of March, 1998, however effective as of March 1, 1998.

STATE LANDS AND INVESTMENTS '98 APR 27 PM 01 05

STATE LANDS AND INVESTMENTS '98 MAY 18 AM 10 55

ASSIGNOR - ENRON OIL & GAS COMPANY	ASSIGNEE (1) - SENECA RESOURCES CORPORATION
By -	By -
Title - Andrew C. Morris, Agent & Attorney-in-Fact	Title - William M. Petmecky, Senior Vice President
Attest -	Attest -
ASSIGNEE (2) -	ASSIGNEE (3) -
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.

STATE LANDS AND INVESTMENTS '98 JUN 11 AM 9 20

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by William M. Petmecky, the Senior Vice President of SENECA RESOURCES CORPORATION, a Pennsylvania corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on this the 13th day of March, 1998, by Andrew C. Morris, Agent and Attorney-in-Fact for ENRON OIL & GAS COMPANY, a Delaware corporation, on behalf of said corporation

Carrie Stevens
Carrie Stevens
Notary Public in and for
The State of Texas

Expiration Date:
2-9-2000

CARRIE STEVENS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
FEB. 9, 2000

254

ASSIGNMENT AND BILL OF SALE

268331

RECORDED April 21 1998 12:00P M
IN BOOK 108 Misc PAGE 254
FEES $ 20.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Sandra Parks

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

COASTAL OIL & GAS CORPORATION, a Delaware corporation, ("Assignor"), whose address is Nine Greenway Plaza, Houston, Texas 77046, 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, and for the mutual covenants herein contained, and subject to the reservations, conditions and covenants hereinafter provided, does hereby GRANT, BARGAIN, SELL, CONVEY and ASSIGN unto PROVIDENCE ENERGY CORPORATION, a Texas corporation, ("Providence") whose address is 3838 Oaklawn, Suite 1222, Dallas, Texas 75219, JETTA PRODUCTION COMPANY, INC., an Oklahoma corporation ("Jetta") whose address is PI-D Fort Worth Club Building, 777 Taylor Street, Fort Worth, Texas 76102, JPC, L.L.C., an Oklahoma limited liability company, ("JPC") whose address is PI-D Fort Worth Club Building, 777 Taylor Street, Fort Worth, Texas 76102, GPM, INC., an Oklahoma corporation, ("GPM") whose address is One Summit Plaza, Suite 125, 5727 S. Lewis Avenue, Tulsa, Oklahoma 74105 (Providence, Jetta, JPC, and GPM are sometimes collectively called "Assignees"), their successors and assigns, all of Assignor's right, title and interest in and to the following (the "Properties"):

(A) All of Assignor's oil and gas and associated hydrocarbons ("Oil and Gas") and related rights, titles and interests, including, but not limited to, leasehold interests, royalty interests, overriding royalty interests, payments out of production, reversionary rights, and contractual rights to production, in and to (i) those interests described in the leases, subleases, assignments and other instruments described in Exhibit "A" (collectively the "Leases"); (ii) those wells described in Exhibit "A" (the "Wells"); (iii) all easements, rights of way, platform leases, and other rights, privileges, benefits and powers with respect to the use and occupation of the surface of, and the subsurface depths under, the land covered by the Leases; (iv) all rights in respect of any pooled or unitized acreage located in whole or in part within each Lease, including all production from the pool or unit allocated to any such Lease and all interests in any wells within the unit or pool associated with such Lease, regardless of whether such unit or pool production comes from wells located within or without the Leases;

(B) All licenses, servitudes, gas purchase and sale contracts (including interests and rights, if any, with respect to any prepayments, take-or-pay, buydown and buyout agreements) to the extent that the same pertain or relate to periods after the Effective Time, as hereinafter defined, crude purchase and sale agreements, farmin agreements, farmout agreements, bottom hole agreements, acreage contribution agreements, operating agreements, unit agreements, processing agreements, options, leases of equipment or facilities, joint venture agreements, pooling agreements, transportation agreements, and other contracts, agreements and rights, which are owned by Assignor, in whole or in part, and are (i) appurtenant to the Leases, or (ii) used or

held for use in connection with the ownership or operation of the Leases, or the sale, distribution or disposal of oil and gas or water, including but not limited to the contracts described on Exhibit "A", (collectively, the "Contracts");

(C) All of the real, personal and mixed property and facilities located in, on or adjacent to the land covered by the Leases or used in the operation thereof (whether located on or off such Leases), which is owned by Assignor, in whole or in part, including, without limitation, platforms, well equipment; casing; tanks; crude oil, natural gas, condensate or products in storage severed after the Effective Time; tubing; compressors; pumps; motors; fixtures; machinery and other equipment; pipelines; field processing equipment; inventory and all other improvements used or useful in the operation thereof (the "Related Assets");

(D) All governmental permits, licenses and authorizations including environmental permits, licenses and authorizations, as well as any applications for the same, related to the Leases or the use thereof;

(E) All of the files, records and data relating to the items described in subsections (A), (B), (C), and (D) above, including, without limitation, title records (title curative documents); surveys, maps and drawings; contracts; correspondence; Federal Energy Regulation Commission files; microfiche lists; geological, geophysical and seismic records, data and information; production records, electric logs, core data, pressure data, decline curves, graphical production curves and all related matters and construction documents (except to the extent the delivery or copying of such records may be restricted by contract with a third party, in which event Assignor shall cooperate with Assignees in efforts to provide on site access to such records until a release from such restriction may be obtained) (the "Records"); and

(F) Any and all other assets of Assignor appurtenant or related to or used or useful in connection with the Leases.

in the following percentages:

Providence	20%
Jetta	25%
JPC	15%
GPM	40%

This Assignment and Bill of Sale (this "Assignment") is made subject to the covenants and conditions hereinafter set forth:

1. This Assignment is effective as of January 1, 1998, at 7:00 a.m. local time of the jurisdiction where the Properties are located (the "Effective Time").

2. This Assignment and all rights, reservations and covenants in connection therewith shall be considered covenants running with the land and shall inure to the benefit of and be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.

3. This Assignment is subject to the Purchase And Sale Agreement dated June 17, 1998, between Assignor and Assignees (the "Purchase and Sale Agreement") and nothing herein limits or alters Assignees' rights and benefits set forth in said Purchase and Sale Agreement.

TO HAVE AND TO HOLD the Properties unto Assignees, its successors and assigns, subject to the terms and provisions herein. Assignor does hereby warrant and represent to Assignees for a one year period that Assignor's title to the Properties as of the Effective Time and as of the Closing Date is good and marketable, as defined in the Purchase and Sale Agreement. Assignees' sole remedy for a breach of this warranty shall be as provided in Purchase and Sale Agreement. The conveyance herein of personal property and fixtures, if any, is made AS IS, and WITH ALL FAULTS AND DEFECTS WITH NO WARRANTY OF ANY KIND WHATSOEVER EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

This Assignment may be executed in several counterparts, all of which are identical, except that, to facilitate recordation, certain counterparts hereof may include only those portions of Exhibit "A" which contain descriptions of lands located in the recording jurisdiction in which the particular counterpart is to be recorded, and other portions of Exhibit "A" shall be included in such counterparts by reference only. All of such counterparts together shall constitute one and the same instrument.

EXECUTED this 30th day of June, 1998, but effective as of the Effective Time.

ASSIGNOR:

COASTAL OIL & GAS CORPORATION

By: _____

Don C. Nelson
Vice President

[redacted] [redacted] [redacted]

ASSIGNEES:

PROVIDENCE ENERGY CORPORATION

By: _____
Michael Allen, President

JETTA PRODUCTION COMPANY, INC.

By: _____
Gregory A. Bird, President

JPC, L.L.C.
By Jetta Production Company, Inc., it manager

By: _____
Richard L. Cornelius, Vice President

GPM, INC.

By: _____
Milton D. McKenzie, President

Signature Page to Assignment and Bill of Sale from Coastal Oil & Gas Corporation to Providence Energy Corporation et al.

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ACKNOWLEDGMENTS

STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this 30th day of June, 1998, by Don C. Nelson, known to me to be the Vice President of Coastal Oil & Gas Corporation, a Delaware corporation, on behalf of said corporation.

Patti T Payne
Notary Public in and for the
State of Texas

SEAL

PATTI T. PAYNE
Notary Public, State of Texas
My Commission Expires
JUNE 03, 2001

STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this 30th day of June, 1998, by Michael Allen, known to me to be the President of Providence Energy Corporation, a Texas corporation, on behalf of said corporation.

Patti T Payne
Notary Public in and for the
State of Texas

SEAL

PATTI T. PAYNE
Notary Public, State of Texas
My Commission Expires
JUNE 03, 2001

STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this 30th day of June, 1998, by Gregory A. Bird, known to me to be the President of Jetta Production Company, Inc., an Oklahoma corporation, on behalf of said corporation.

Patti T Payne
Notary Public in and for the
State of Texas

SEAL

PATTI T. PAYNE
Notary Public, State of Texas
My Commission Expires
JUNE 03, 2001

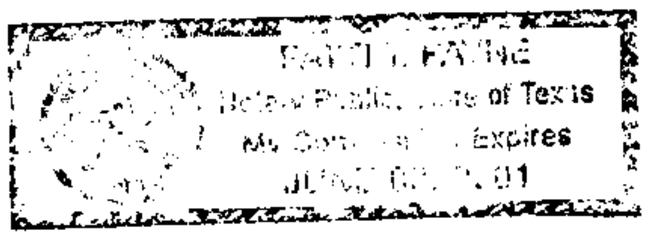
[redacted] [redacted] [redacted]

STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this 30th day of June, 1998, by Richard L. Cornelius, known to me to be the Vice President of Jetta Production Company, Inc., the manager of JPC, L.L.C., an Oklahoma limited liability company, on behalf of said corporation and said limited liability company.

Patti T. Payne
Notary Public in and for the
State of Texas

SEAL

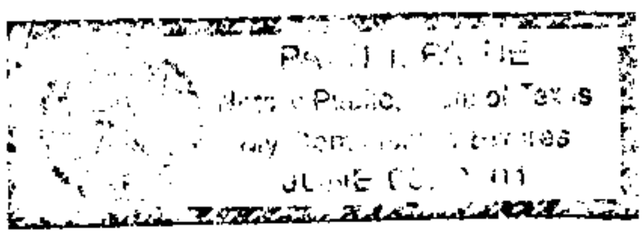


STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this 30th day of June, 1998, by Milton D. McKenzie, known to me to be the President of GPM, Inc., an Oklahoma corporation, on behalf of said corporation.

Patti T Payne
Notary Public in and for the
State of Texas

SEAL



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EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale from Coastal Oil & Gas Corporation as Assignor, to Jetta Production Company, Inc as Assignee, covering lands in Sublette County, Texas

LEASE NO.	LESSOR	LESSEE	LEASE DATE
	PROSPECT	STATE/COUNTY	RECORDING

64115/001 W-38887 — HOWELL SPEAR — 04/01/1973
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29.N R 114 W
SEC 4
LOT 4, SW/4NW/4, NW/4SW/4
SEC 5
LOTS 1, 2, 3, S/2N/2, SE/4, NE/4SW/4

64116/001 W-60620 — ESTELLE C HAEFELE — 04/01/1976
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29 N R 114 W
SEC 5
LOT 4
SEC 6
LOTS 1, 2, S/2NE/4, SE/4
SEC 7
E/2
SEC 18
SE/4
SEC 9
SE/4SE/4
SEC 17
ALL

64123/001 W-78476 — PETE J KITHAS — 03/01/1975
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29 N R 114 W
SEC 9
N/2

64124/001 W-59398 — FRED D VOLZ — 08/01/1977
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29 N R 114 W
SEC 18
NE/4
SEC 20
ALL

64125/001 W-60621 — PATRICIA R PFENNING — 04/01/1976
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29 N R 114 W
SEC 21
ALL
SEC 28
ALL

64127/001 WY ST 76-0342 — CHINOOK ROUSTABOUT SERVICE INC — 05/02/1976
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29 N R 114 W
SEC 16
ALL

64129/001 W-54161 — ESTELLE C HAEFELE — 04/01/1976
RILEY RIDGE — WY SUBLETTE — BK 54 PG 549

T 29 N R 114 W
SEC 19
E/2

64130/001 W-54162 — PATRICIA R PFENNING — 04/01/1976
RILEY RIDGE — WY SUBLETTE — BK 54 PG 421

T 29 N R 114 W
SEC 29
ALL

64161/001 W-116837 — COASTAL OIL & GAS CORPORATION — 05/01/1990
RILEY RIDGE — WY SUBLETTE — UNRECORDED

T 29 N R 114 W
SEC 5
LOTS 1, 2, SE/4NE/4, S/2NW/4
S/2NW/4
SEC 6
S/2NE/4, SE/4NW/4, LOTS 3 & 4
T 30 N R 114 W
SEC 31
S/2NE/4, W/2SE/4, SE/4SW/4 — R-O-W GRANT

[redacted] [redacted] [redacted]

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.

Lease Effective Date
(Anniversary Date)

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* AMOCO PRODUCTION COMPANY
   Street P.O. Box 800
   City, State, ZIP Code Denver, Colorado 80201-0800

*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
See the scheduled attached hereto and made a part hereof for the interests and multiple serial numbers transferred herein. 268332					

RECORDED July 21 19 98 12:20 P M
IN BOOK 108 O&G PAGE 241
FEES $ 13.00 Mary L Lloyd COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kate Pape

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 _____

☐ Assignment approved for attached land description

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

By _____
(Authorized Officer)

_____
(Title) (Date)

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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 COLORADO)
) §
CITY & COUNTY OF DENVER)

Before me, the undersigned authority, on this day personally appeared STEVEN G. VAN HOOK, 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, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)
My Commission Expires: May 1, 2001 5/21/2001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

Before me, the undersigned authority, on this day personally appeared R.D. HOWARD, 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, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)
My Commission Expires: 5/21/2001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

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 22nd day of May, 1998,
but effective as of January 1, 1998.

NAME OF TRANSFEROR: SNYDER OIL CORPORATION

By _____
Steven G. Hook
Attorney-in-Fact
1625 Broadway, Suite 2200
Denver, Colorado 80202

Executed this 22nd day of May, 1998.

TRANSFEREE: AMOCO PRODUCTION COMPANY

By _____
R. D. Howard
Attorney-in-Fact

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]BLETTE COUNTY, WYOMING – Attached to and made a part of that certain Assignment of Record Title dated May 22, 1998, between Snyder Oil Corporation, as Assignor, and Amoco Production Company, as Assignee.

SOCO LEASE #	EFF DATE	LESSOR	T-R	SEC	DESCRIPTION 2.a	GROSS ACRES	PERCENT OF INTEREST : OWNED 2.b	CONVEYED 2.c	RETAINED 2.d	ORI RESERVED 2.e	ORI PREV. RESERVED 2.f
50186	09-01-1995	USA WYW 141757	029N107W	6 7	LOT 7 (40.85) LOTS 3 (40.73), 4 (40.69), S/2NE/4, E/2SW/4, SE/4	442.27	50%	50%	0%	None	Of Record
50041	09-01-1995	USA WYW 137239	029N107W	18	LOTS 1 (40.67), 2 (40.64), 3 (40.63), 4 (40.61), E/2W/2, E/2	642.56	50%	50%	0%	None	Of Record
50192	08-01-1997	USA WYW-142261	029N107W	7 8 9 10	N/2NE/4 NW/4 N/2N/2 N/2NW/4	480	100%	100%	0%	None	Of Record
50185	06-01-1988	USA WYW-111556	029N107W	20	SW/4SW/4	40	25%	25%	0%	None	Of Record
50042	09-01-1995	USA WYW-137240	029N107W	11 12 13 14	ALL ALL N/2, N/2S/2, SE/4SW/4, S/2SE/4 N/2, SW/4, W/2SE/4, SE/4SE/4	2480	50%	50%	0%	None	Of Record
50190	10-01-1995	USA WYW-137342	029N107W	1 2 3 10	LOTS 1 (40.04), 2 (40.14), 3 (40.22), 4 (40.32), S/2N/2, S/2 LOTS 1 (40.32), 2 (40.23), 3 (40.15), 4 (40.06), S/2N/2, S/2 LOTS 1 (39.97), 2 (39.88), S/2NE/4, SE/4 NE/4, SE/4NW/4	1801.33	25%	25%	0%	None	Of Record

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Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.

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)*
   Street
   City, State, ZIP Code

AMOCO PRODUCTION COMPANY
P.O. Box 800
Denver, Colorado 80201-0800

*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
See the schedule attached hereto and made a part hereof for the interests and multiple serial numbers transferred herein.					

268333
RECORDED July 21 19 98 12:30 PM
IN BOOK 108 O&G PAGE 264
FEES $ 10.00 M. L. Lloyd COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Barbara Pope

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☐ Transfer approved effective _____

By _____ _____
(Authorized Officer) (Title) (Date)

[redacted] [redacted] [redacted]

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
CITY & COUNTY OF [redacted])

Before me, the undersigned authority, on this day personally appeared STEVEN G. VAN HOOK, 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, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)
My Commission Expires: May 1, 2001 5/21/2001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) ss
CITY & COUNTY OF [redacted])

Before me, the undersigned authority, on this day personally appeared R. D. HOWARD, 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, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of June, 1998.

Geraldine G Martinez
Notary Public

(SEAL)
My Commission Expires: 5/21/2001

GERALDINE G. MARTINEZ 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 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 22nd day of May, 1998,
but effective as of January 1, 1998.

NAME OF TRANSFEROR: SNYDER OIL CORPORATION

By Steven G. Van Hook
Steven G. Van Hook
Attorney-in-Fact
1625 Broadway, Suite 2200
Denver, Colorado 80202

Executed this 22nd day of May, 1998.

TRANSFEREE: AMOCO PRODUCTION COMPANY

By R. D. Howard
R. D. Howard
Attorney-in-Fact

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, (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 (1004-0034), 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

SUBLETTE COUNTY, WYOMING -- Attached to and made a part of that certain Mass Transfer of Operating Rights dated May 22, 1998, between Snyder Oil Corporation as Transferor, and Amoco Production Company as Transferee.

SOCO LEASE #	EFF DATE	LESSOR	T-R	SEC	DESCRIPTION 2.a	GROSS ACRES	PERCENT OF INTEREST : OWNED 2.b	CONVEYED 2.c	RETAINED 2.d	ORI RESERVED 2.e	ORI PREV. RESERVED 2.f
50176	12-01-89	USA WYW 118155	029N108W	21 23 24	ALL ALL ALL	1920	1%	1%	0%	None	Of Record

From the surface of the Earth to the base of the Mesa Verde formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well, located in the SW/4, Section 18, T28N-R109W.

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

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)*
   Street
   City, State, ZIP Code

AMOCO PRODUCTION COMPANY
P.O. Box 800
Denver, Colorado 80201-0800

*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
See the schedule attached hereto and made a part hereof for the interests and multiple serial numbers transferred herein.					

268334
RECORDED July 21 1998 12:20 PM
IN BOOK 103 O & G PAGE 267
FEES $ 33.00
SUBLETTE COUNTY, PINEDALE WYOMING
COUNTY CLERK
By Kate Pape

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☐ Transfer approved effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

Part A (Continued): ADDITIONAL SPACE for 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)
) §
CITY & COUNTY OF DENVER)

Before me, the undersigned authority, on this day personally appeared STEVEN G. VAN HOOK, 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, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)
My Commission Expires: May 1, 2002 5/21/2001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

Before me, the undersigned authority, on this day personally appeared R. D. HOWARD, 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, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11 day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)
My Commission Expires: 5/21/2001

GERALDINE G. MARTINEZ 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 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 22nd day of May, 1998, but effective as of January 1, 1998.

NAME OF TRANSFEROR: SNYDER OIL CORPORATION

By _____
Steven G. Van Hook
Attorney-in-Fact
1625 Broadway, Suite 2200
Denver, Colorado 80202

Executed this 22nd day of May, 1998.

TRANSFEREE: AMOCO PRODUCTION COMPANY

By _____
R. D. Howard
Attorney-in-Fact

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, (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 (1004-0034), 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]LETTE COUNTY, WYOMING -- Attached to and made a part of that certain Mass Transfer of Operating Rights dated May 22, 1998, between Snyder Oil Corporation as Transferor, and Amoco Production Company as Transferee.

SOCO LEASE #	EFF DATE	LESSOR	T-R	SEC	DESCRIPTION 2.a	GROSS ACRES	PERCENT OF INTEREST : OWNED 2.b	CONVEYED 2.c	RETAINED 2.d	ORI RESERVED 2.e	ORI PREV. RESERVED 2.f
20644	12-01-1986	USA WYW 102717	029N107W	30 31	LOTS 1 (40.6), 2 (40.7), E/2NW/4, SE/4 LOTS 1 (40.81), 2 (40.57) , E/2NW/4, SE/4	642.68	50%	50%	0%	None	Of Record
20641	12-01-1989	USA WYW 118148	030N107W	29 30 31 32 33	NW/4, SE/4 SE/4 LOTS 1 (40.64), 2 (40.8), E/2NW/4, SE/4 NW/4, SE/4 W/2NW/4	1201.44	50%	50%	0%	None	Of Record
20545	12-01-1989	USA WYW 118154	029N108W	9 17	NW/4, SE/4 NW/4, SE/4	640	50%	50%	0%	None	Of Record
[redacted]20565	08-01-1990	USA WYW 120908	029N107W	17 20 28	NW/4, SE/4 SE/4 NW/4	640	50%	50%	0%	None	Of Record
50189	08-01-1990	USA WYW 141753	029N107W	10 15 21 22 23 27	SE/4 NW/4, SE/4 NW/4, SE/4 NW/4, SE/4 NW/4, SE/4 NW/4, SE/4	1760	50%	50%	0%	None	Of Record
50194	01-01-1992	USA WYW 125948	029N108W	20	NW/4, SE/4	320	50%	50%	0%	None	Of Record
20558	05-01-1992	USA WYW 126676	029N107W	33	NW/4, SE/4	320	50%	50%	0%	None	Of Record
20559	05-01-1992	USA WYW 126677	029N108W	13	SW/4NW/4, SW/4, S/2SE/4	280	50%	50%	0%	None	Of Record
50188	05-01-1992	USA WYW 141754	029N108W	3	SW/4NW/4, SW/4, SW/4SE/4	240	50%	50%	0%	None	Of Record
20564	07-01-1992	USA WYW 127192	029N107W	19 20 28 29	LOTS 1(40.60), 2(40.58), E/2NW/4, SE/4 NW/4 SE/4 NW/4, SE/4	961.18	50%	50%	0%	None	Of Record
[redacted]20566	11-01-1992	USA WYW 127749	029N108W	15 22 26	NW/4, SE/4 NW/4, SE/4 ALL	1280	50%	50%	0%	None	Of Record
50187	11-01-1992	USA WYW 141756	029N108W	25	NW/4, SE/4	320	50%	50%	0%	None	Of Record

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SUBLETTE COUNTY, WYOMING -- Attached to and made a part of that certain Mass Transfer of Operating Rights dated May 22, 1998, between Snyder Oil Corporation as Transferor, and Amoco Production Company as Transferee.

SOCO LEASE #	EFF DATE	LESSOR	T-R	SEC	DESCRIPTION 2.a	GROSS ACRES	PERCENT OF INTEREST : OWNED 2.b	CONVEYED 2.c	RETAINED 2.d	ORI RESERVED 2.e	ORI PREV. RESERVED 2.f
20570	03-01-1993	USA WYW 128703	029N108W	10	NW/4, SE/4	640	50%	50%	0%	None	Of Record
				14	NW/4, SE/4						
20573	09-01-1993	USA WYW 130232	028N109W	11	NE/4	160	50%	50%	0%	None	Of Record
20642	04-01-1994	USA WYW 131987	030N107W	15	NW/4, SE/4	960	50%	50%	0%	None	Of Record
				22	NW/4, SE/4						
				27	NW/4, SE/4						
20645	08-01-1994	USA WYW 133051	029N107W	4	LOTS 3(39.74) 4 (39.78), S/2NW/4, SE/4	1201.74	50%	50%	0%	None	Of Record
			029N107W	5	LOTS 3 (39.96), 4 (40.03), S/2NW/4, SE/4						
			029N107W	6	LOTS 3 (40.02), 4 (41.16), 5(41.05), SE/4NW/4, SE/4						
			030N107W	33	SE/4, E/2NW/4						
20646	08-01-1994	USA WYW 133052	030N107W	17	NW/4	640	50%	50%	0%	None	Of Record
				28	NW/4, SE/4						
				34	NW/4						
50175	05-01-1992	USA WYW 134684	029N107W	32	NW/4, SE/4	320	50%	50%	0%	None	Of Record
50076	01-01-1992	USA WYW 125950	029N108W	28	ALL	640	50%	50%	0%	None	Of Record
50077	08-01-1986	USA WYW 102899	029N108W	27	ALL	640	50%	50%	0%	None	Of Record
50197	12-01-1993	USA WYW 141883	028N109W	13	ALL	640	50%	50%	0%	None	Of Record
50206	01-01-1992	USA WYW 141879	029N108W	29	ALL	640	50%	50%	0%	None	Of Record
20528	01-01-1992	USA WYW 125949	029N108W	19	NE/4	795.28	50%	50%	0%	None	Of Record
				30	LOTS 3 (37.86), 4 (38.22), E/2SW/4, NE/4						
				31	LOTS 3 (39.40), 4 (39.80), E/2SW/4, NE/4						
20576	01-01-1993	USA WYW 128039	028N109W	14	NE/4	160	50%	50%	0%	None	Of Record

From the surface of the Earth to the base of the Mesa Verde formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well, located in the SW/4, Section 18, T28N-R109W.

[redacted] [redacted] 20591 [redacted]

State of Wyoming
Board of Land Commissioners
Oil & Gas Lease Interest Assignment

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

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 92-00198 **Assignment Approval Date** _____

ASSIGNOR, with name and address at, **SNYDER OIL CORPORATION, a Delaware corporation**
1625 Broadway, Suite 2200
Denver, Colorado 80202

being the owner of 50.00 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 30 North, Range 108 West, 6th P.M.
Section 36: NW¼, SE¼
Sublette County, Wyoming
Comprising 320.00 acres, more or less

From the surface of the Earth to the base of the Mesa Verde Formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well located in the SW¼, Section 18, T28N-R109W.

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

1) ASSIGNEE, with name and address at: **AMOCO PRODUCTION COMPANY, a Delaware corporation**
P.O. Box 800
Denver, Colorado 80201-0800

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

268335 12:20 P
RECORDED July 21 1998 M
IN BOOK 110 D-6 PAGE 271
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shirley Pope

2) ASSIGNEE, with name and address at:

n/a

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

3) ASSIGNEE, with name and address at:

n/a

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

4) ASSIGNEE, with name and address at:

n/a

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

5) ASSIGNEE, with name and address at:

n/a

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

and reserving unto ASSIGNOR, all rights below the base of the Mesa Verde Formation, defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 well located in the SW¼, Section 18, T28N-R109W.

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 canceled 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 1 of Lease # 92-00198 assignment dated May 22, 1998

O:\LTEBS\ASSIGNOUT.DOC\SUBVERCREEK\980019B.DOC

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SIGNED AS TO TRANSFER AND ACCEPTANCE this 22nd day of May 19 98,
but effective as of January 1, 1998.

ASSIGNOR - Steven G. Van Hook	Assignee (1) -
By - Steven G. Van Hook	By - R. D. Howard
Title - Attorney-in-Fact	Title - 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 -

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 interest 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]

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **Steven G. Van Hook** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of SNYDER OIL CORPORATION**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL) GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires: 5/12/2001

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **R. D. Howard** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of AMOCO PRODUCTION COMPANY**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL) GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

My Commission Expires: 5/12/2001

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50184

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 90-00365 Assignment Approval Date _____

ASSIGNOR, with name and address at, **SNYDER OIL CORPORATION, a Delaware corporation**
1625 Broadway, Suite 2200
Denver, Colorado 80202

being the owner of 24.00 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 108 West, 6th P.M.
Section 36: All
Sublette County, Wyoming
Comprising 640.00 acres, more or less

From the surface of the Earth to the base of the Mesa Verde Formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well located in the SW¼, Section 18, T28N-R109W.

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

1) ASSIGNEE, with name and address at: **AMOCO PRODUCTION COMPANY, a Delaware corporation**
P.O. Box 800
Denver, Colorado 80201-0800

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

2) ASSIGNEE, with name and address at:

n/a

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

3) ASSIGNEE, with name and address at:

n/a

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

4) ASSIGNEE, with name and address at:

n/a

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

5) ASSIGNEE, with name and address at:

n/a

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

268336 12:20P
RECORDED July 21 1998 M
IN BOOK 108 456 PAGE 274
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Marie Pope

and reserving unto ASSIGNOR, all rights below the base of the Mesa Verde Formation, defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 well located in the SW¼, Section 18, T28N-R109W.

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 canceled 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. Existing lease burdens shall be allocated as provided in that certain Stipulation of Interests and Partial Assignment of Oil and Gas Lease among McMurry Oil Company, et al, as Assignors, and Snyder Oil Corporation and Amoco Production Company, as Assignees, dated 4/4/97.

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 1 of Lease # 90-00365 assignment dated May 22, 1998

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[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

SIGNED AS TO TRANSFER AND ACCEPTANCE this 22nd day of May 19 98,
but effective as of January 1, 1998

ASSIGNOR -	Assignee (1) -
By - Steven G. Van Hook	By - R. D. Howard
Title - Attorney-in-Fact	Title - 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 -

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 interest 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.

O:\LIEBJV\JOHNSON\MYDOCS\WILDCREEK\[illegible].DOC

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that Steven G. Van Hook whose name is subscribed to the foregoing instrument as Attorney-in-Fact of SNYDER OIL CORPORATION, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/21/2001

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that R. D. Howard whose name is subscribed to the foregoing instrument as Attorney-in-Fact of AMOCO PRODUCTION COMPANY, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/21/2001

[redacted] [redacted] 20554 [redacted]

State of Wyoming
Board of Land Commissioners
Oil & Gas Lease Interest Assignment

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

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 92-00196 **Assignment Approval Date** _____

ASSIGNOR, with name and address at, **SNYDER OIL CORPORATION, a Delaware corporation**
1625 Broadway, Suite 2200
Denver, Colorado 80202

being the owner of 50.00 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 108 West, 6th P.M.
Section 16: NW¼, SE¼
Sublette County, Wyoming
Comprising 320.00 acres, more or less

From the surface of the Earth to the base of the Mesa Verde Formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well located in the SW¼, Section 18, T28N-R109W.

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

1) ASSIGNEE, with name and address at: **AMOCO PRODUCTION COMPANY, a Delaware corporation**
P.O. Box 800
Denver, Colorado 80201-0800

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

268337 12:20P

RECORDED July 21 1998 M
IN BOOK 188 Mtg PAGE 277
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kathy Pope

2) ASSIGNEE, with name and address at:

n/a

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

3) ASSIGNEE, with name and address at:

n/a

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

4) ASSIGNEE, with name and address at:

n/a

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

5) ASSIGNEE, with name and address at:

n/a

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

and reserving unto ASSIGNOR, all rights below the base of the Mesa Verde Formation, defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 well located in the SW¼, Section 18, T28N-R109W.

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 canceled 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 1 of Lease # 92-00196 assignment dated May 22, 1998

N:\MYDOCS\BVRCREEK\V80196.DOC

SIGNED AS TO TRANSFER AND ACCEPTANCE this 22nd day of May 19 98,
but effective as of January 1, 1998.

ASSIGNOR - Steven G. Van Hook	Assignee (1) - R. D. Howard
By - Steven G. Van Hook	By - R. D. Howard
Title - Attorney-in-Fact	Title - 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 -

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 interest 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.

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **Steven G. Van Hook** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact** of **SNYDER OIL CORPORATION**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/2[illegible]001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **R. D. Howard** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact** of **AMOCO PRODUCTION COMPANY**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/2[illegible]001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

290

20580

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 94-00148 Assignment Approval Date _____

ASSIGNOR, with name and address at, **SNYDER OIL CORPORATION, a Delaware corporation**
1625 Broadway, Suite 2200
Denver, Colorado 80202

being the owner of 50.00 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 107 West, 6th P.M.
Section 16: NW¼, SE¼
Sublette County, Wyoming
Comprising 320.00 acres, more or less

From the surface of the Earth to the base of the Mesa Verde Formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well located in the SW¼ , Section 18, T28N-R109W.

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

1) ASSIGNEE, with name and address at: **AMOCO PRODUCTION COMPANY, a Delaware corporation**
P.O. Box 800
Denver, Colorado 80201-0800

268338
12:20 P
RECORDED July 21 1998 M
IN BOOK 108 B&G PAGE 280
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Stan Pape

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

2) ASSIGNEE, with name and address at:

n/a

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

3) ASSIGNEE, with name and address at:

n/a

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

4) ASSIGNEE, with name and address at:

n/a

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

5) ASSIGNEE, with name and address at:

n/a

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

and reserving unto ASSIGNOR, all rights below the base of the Mesa Verde Formation, defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 well located in the SW¼, Section 18, T28N-R109W.

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 canceled 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 1 of Lease # 94-00148 assignment dated May 22, 1998

G:\LNERS\PJOHNSON\MYDOCS\BVRCREEK\940014B.DOC

[redacted] [redacted] [redacted]

SIGNED AS TO TRANSFER AND ACCEPTANCE this 22nd day of May 19 98 ,
but effective as of January 1, 1998.

ASSIGNOR -	Assignee (1) -
By - Steven G. Van Hook	By - R. D. Howard
Title - Attorney-in-Fact	Title - 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 -

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 interest 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.

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **Steven G. Van Hook** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of SNYDER OIL CORPORATION**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/11/2001

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **R. D. Howard** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of AMOCO PRODUCTION COMPANY**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/11/2001

[redacted] [redacted] 20581 [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 94-00147 Assignment Approval Date _____

ASSIGNOR, with name and address at, **SNYDER OIL CORPORATION, a Delaware corporation**
1625 Broadway, Suite 2200
Denver, Colorado 80202

being the owner of 50.00 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 107 West, 6th P.M.
Section 14: NE¼ SE¼
Sublette County, Wyoming
Comprising 40.00 acres, more or less

From the surface of the Earth to the base of the Mesa Verde Formation defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 Well located in the SW¼, Section 18, T28N-R109W.

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

1) ASSIGNEE, with name and address at: **AMOCO PRODUCTION COMPANY, a Delaware corporation**
P.O. Box 800
Denver, Colorado 80201-0800

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

26833
RECORDED July 21 19 98 M 12:20 P
IN BOOK 188 A PAGE 283
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY By Gloria Page

2) ASSIGNEE, with name and address at:

n/a

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

3) ASSIGNEE, with name and address at:

n/a

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

4) ASSIGNEE, with name and address at:

n/a

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

5) ASSIGNEE, with name and address at:

n/a

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

and reserving unto ASSIGNOR, all rights below the base of the Mesa Verde Formation, defined as the stratigraphic equivalent depth of 12,250 feet as found in the Woods Cutlass Unit #2 well located in the SW¼, Section 18, T28N-R109W.

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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 1 of Lease # 94-00147 assignment dated May 22, 1998

G:\USER\JOHNSON\MYDOCS\BVRCREEK\94-00147.DOC

283

SIGNED AS TO TRANSFER AND ACCEPTANCE this 22nd day of May 19 98,
but effective as of January 1, 1998.

ASSIGNOR -	Assignee (1) -
By - Steven G. Van Hook	By - R. D. Howard
Title - Attorney-in-Fact	Title - 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 -

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.)

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 interest 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]

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **Steven G. Van Hook** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of SNYDER OIL CORPORATION**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/22/2001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) §
CITY & COUNTY OF DENVER)

BEFORE ME, a Notary Public, in and for said County and State aforesaid, do hereby certify that **R. D. Howard** whose name is subscribed to the foregoing instrument as **Attorney-in-Fact of AMOCO PRODUCTION COMPANY**, appeared before me this day in person and acknowledged that he executed said instrument as his free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of June, 1998.

Geraldine G. Martinez
Notary Public

(SEAL)

My Commission Expires: 5/22/2001

GERALDINE G. MARTINEZ NOTARY PUBLIC STATE OF COLORADO

986

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of May 19 98, by and between
Jane McGinnis, individually and as Attorney-in-Fact for William J. McGinnis, also known as William J. McGinnis, Jr.

of 62 Readon Draw Road, Big Piney, WY 83113, hereinafter called lessor (whether one or more), and
Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. That lessor, for and in consideration of -Ten & 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

RECORDED July 29, 1998 M 10:20 a
IN BOOK 108 OR PAGE 286
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

See Exhibit "A" attached hereto and made a part hereof

268373

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 80.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ Five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the ~~Community First~~ Bank, at 440 Budd Ave Big Piney, Wy 83113 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms hereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Jane McGinnis, individually and as Attorney-in-Fact for William J. McGinnis, also known as William J. McGinnis, Jr.

SS# 720-07-1927

INDIVIDUAL

STATE OF Wyoming
COUNTY OF Sublette } ss.

On this 6th day of May, 19 98, before me personally appeared Jane McGinnis, individually and as Attorney-in-Fact for William J. McGinnis, also known as William J. McGinnis, Jr.
to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she he executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 6th day of May, 19 98.

JOYCE I JOHNSON - NOTARY PUBLIC
County of Sublette State of Wyoming
My Commission Expires February 2, 2000

My commission expires: 2-2-2000

Joyce I. Johnson
Notary Public for the State of Wyoming
residing at Sublette County - Big Piney

STATE OF
COUNTY OF } ss.

CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19 .

My commission expires:

Notary Public for the State of
residing at

EXHIBIT "A"

Exhibit "A" attached hereto and made a part hereof that certain Oil & Gas Lease dated May 6th, 1998, by and between Jane McGinnis, individually and as Attorney-in-Fact for William J. McGinnis, also known as William J. McGinnis, Jr., as Lessor(s), and Hanson & Strahn, Inc., as Lessee.

SUBLETTE COUNTY, WYOMING

Township 28 North, Range 112 West, 6th P.M.
Section 11: SE/4 SW/4
Section 14: NE/4 NW/4

Containing 80.0000 gross acres, more or less.

1: It is understood and agreed between the parties hereto, that wherever the term one-eighth (1/8th) appears in the subject oil & gas lease, it shall by this reference be amended to read fifteen percent, (15%).

2: In the event this lease is not continued beyond its primary term by the provisions herein contained, lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the expiration date of the primary term of the lease, and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, a net sum of Forty-five Dollars per net mineral acre, ($45.00), on or before the expiration date of the primary term of this lease. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of eight (8) years.

Executed this 6th day of May, 1998.

Jane McGinnis, individually and as Attorney-in-Fact for
William J. McGinnis, also known as William J. McGinnis, Jr.

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE

268374

RECORDED June 22 1998 M 10:20a.
IN BOOK 108 OR PAGE 284
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

THIS AGREEMENT, made and entered into this 6th day of May 19 98, by and between

Mary Nell (Hannon) McGinnis, a single woman

of P.O. Box 1341, Sequim, WA 98382, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., P.O. Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. That lessor, for and in consideration of Ten 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

INITIAL
WMM
HERE

See Exhibit "A" attached hereto and made a part hereof

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following means: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar measures of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 80.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the First Federal Savings & Loan of Port Angeles ~~Bank~~ at P.O. Box 1025, Sequim, WA 98382-1025 (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or this lease is otherwise maintained as provided herein, in like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms hereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

X Mary Nell (Hannon) McGinnis

Mary Nell (Hannon) McGinnis

STATE OF Washington
COUNTY OF Clallam } ss.

INDIVIDUAL

On this 18th day of May, 19 98, before me personally appeared

Mary Nell (Hannon) McGinnis, a single woman

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 18th day of May, 19 98.

My commission expires: 5/25/2000

Marcia McCrorie

Notary Public for the State of WASH
residing at Sequim

STATE OF _____
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

_____

Notary Public for the State of _____
residing at _____

[redacted] [redacted] [redacted]

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated May 6, 1998, by and between Mary Nell (Hannon) McGinnis, a single woman, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Township 28 North, Range 112 West, 6th P.M.
Section 11: SE1/4SW1/4
Section 14: NE1/4NW1/4

Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read fifteen percent (15.00%) royalty.

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 6th day of May, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, its heirs, successors or assigns at the last known address, the sum of forty-five and 00/100 ($45.00) dollars per net mineral acre covered by this lease, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x Mary Nell (Hannon) McGinnis
Mary Nell (Hannon) McGinnis

Producers 88
Rocky Mountain 1988
(Paid-Up Rev. 1988)

PAID-UP
OIL AND GAS LEASE

268375

RECORDED July 22 1998 M 10:20a.
IN BOOK 108 OR PAGE 292
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

THIS AGREEMENT, made and entered into this 7th day of April 19 98 by and between

Shane Goodman, a married man dealing in his sole and separate property

of 1149 West Primavera Way, West Jordan, UT 84084, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit:

INITIAL

SRG

See Exhibit "A" attached hereto and made a part hereof

HERE

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 990.29 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10)~~ five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the Mountain America Bank, at 7134 So Redwood Rd West Jordan UT 84084 or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used on the lease or otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

Shane R Goodman

Shane Goodman

SS # 529-96-6968

STATE OF Utah }
COUNTY OF Salt Lake } ss.

INDIVIDUAL

On this 22nd day of May, 19 98, before me personally appeared Shane Goodman, a married man dealing in his sole and separate property

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that he executed the same as his free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 22nd day of May, 19 98.

My commission expires: December 15, 1999

Notary Public for the State of Utah

residing at Salt Lake City, Utah

STATE OF _____ }
COUNTY OF _____ } ss.

CORPORATE

On this _____ day of _____, 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.

Given under my hand and seal this _____ day of _____, 19 ____.

My commission expires:

Notary Public for the State of _____

residing at _____

SHERRI J BARRISON
Notary Public
State of Utah
My Comm. Expires Dec 15, 1999
660 S. 200 E SLC UT 84111

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas lease dated April 7, 1998, by and between Shane Goodman, a married man dealing in his sole and separate property, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Township 31 North, Range 113 West, 6th P.M.
Section 15: S1/2S1/2
Section 21: E1/2NE1/4
Section 22: N1/2N1/2, S1/2NW1/4, SW1/4NE1/4
Township 32 North, Range 114 West, 6th P.M.
Section 11: Lots 2(15.61), 3(15.13), SE1/4NW1/4
Township 33 North, Range 113 West, 6th P.M.
Section 30: S1/2SE1/4
Section 31: Lots 2(39.75), 3(39.85), 4(39.95), N1/2NE1/4, SE1/4NW1/4, E1/2SW1/4

20. Lessee agrees that Lessor shall not bear any "on Lease" transportation or processing costs.

21. Prior to the construction of any roads, bridges, culverts or other access routes over the leased premises for oil, gas operations, Lessee shall consult with surface owner as to the direction and placement of same. Lessee shall also consult with surface owner as to the location of any well or wells, pipelines, tank batteries, fences or installation of other equipment on the leased premises before installing same.

22. Notwithstanding anything herein contained, wherever the fractional interest one-eighth (1/8th) royalty appears, it shall by this reference be amended to read one-sixth (1/6th) royalty.

Signed for Identification:

x Shane R Goodman
Shane Goodman

ORIGINAL

Facsimile reproduction

Box 748

Form approved.
Budget Bureau No. 42-R358.

Office .....
Serial No. 08592
Receipt No. 24085

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive 5-Year Public Domain Lease)

THIS OFFER WILL BE REJECTED AND RETURNED TO THE OFFEROR AND WILL AFFORD THE OFFEROR NO PRIORITY IF IT IS NOT PROPERLY FILLED IN AND EXECUTED OR IF IT IS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS OR PAYMENTS. SEE ITEM 9 OF GENERAL INSTRUCTIONS

(Fill in on a typewriter or print plainly in ink and sign in ink)

1. Name Gwen Keif, a single woman

P. O. Address Box 854 Casper, Wyoming

hereby offers to lease all or any of the lands described in Item 2 that are available for lease, pursuant and subject to the terms and provisions of the act of February 25, 1920 (41 Stat. 437, 30 U. S. C. sec. 181), as amended, hereinafter referred to as the act, and to all reasonable regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

2. Land requested	3. Land included in lease (Not to be filled in by Offeror)
6th Principal Meridian Wyoming	Meridian (State)
T. 33 N. R. 102 W. Legal subdivisions Section 21 - S½ Section 28 - All Section 29 - All Section 32 - S½ Section 33 - All Section 34 - W½W½	T. R. Sec. Legal subdivisions This lease embraces the area and the land described in Item 2. The rental retained is the rental amount shown in Item 4.
SUBLETTE COUNTY Total Area 2560.00 Acres	Total Area Acres Rental retained $

268385 3:50p
RECORDED July 09, 1998 M
IN BOOK 108 PAGE 295
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Sexton

4. Amount remitted: Filing fee $10, Rental $ 1,240.00 Total $ 1,240.00

5. Undersigned certifies as follows:
(a) Offeror is a citizen of the United States. Native born X Naturalized ..... If naturalized, give court, date and number of naturalization certificate. Corporation or other legal entity (specify what kind): .....

(b) Offeror's other interests direct and indirect in oil and gas leases and applications or offers therefor in the same State do not exceed 15,360 chargeable acres. (c) Offeror accepts as a part of this lease, to the extent applicable, the Reclamation and Forest stipulations provided for in 43 CFR 191.6. (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as shown by statements made or referred to herein). (e) Offeror has described all surveyed lands by legal subdivisions and unsurveyed lands by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field at the time the offer is filed.

7. It is hereby certified that the statements made herein are true, complete and correct to the best of offeror's knowledge and belief, and are made in good faith.

"This form is submitted in lieu of official Form 4-1158 and contains all of the provisions thereof as of the date of filing of this offer."

IN WITNESS WHEREOF, Offeror has duly executed this instrument this 14th day of AUGUST 19 51

Witness
Walter Williams

Gwen Keif
(Lessee's signature)

(Lessee's signature)

(Attorney-in-fact)

A lease for the lands described in Item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA

By Leroy J. Williams
(Signing officer)

Effective date of lease OCT. 1, 1951

Manager, Land and Survey Office
(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.

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

296

LEASE TERMS

SECTION 1. *Rights of lessee.*—The lessee is granted the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits, except helium gas, in the lands leased, together with the right to construct and maintain thereupon, all works, buildings, plants, waterways, roads, communication or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, for a period of 5 years, and as long thereafter as oil or gas is produced in paying quantities; subject to any such government regulations or hereafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto where inconsistent with the terms of this lease.

SEC. 2. The lessee agrees:

(a) *Bonds.*—(1) To maintain any bond furnished by the lessee as a condition for the issuance of this lease. (2) To furnish a bond in a sum double the amount of $1 per acre (except rental, but not less than $1,000 per surety thereon) $4,000, upon the institution of any part of the leased land within the known geologic structure of a producing oil or gas field. (3) To furnish prior to commencing drilling operations and maintain at all times thereafter as required by the lessor a bond in the penal sum of $25,000 with approved corporate surety, or with deposit of United States bonds as surety therefor, conditioned upon compliance with the terms of this lease, unless a bond in that amount is already being maintained, or unless such a bond furnished by an operator of the lease is accepted. (4) Until a general lease bond is filed to furnish and maintain a bond in the penal sum of not less than $1,000 in those cases in which a bond is required for but not for the prospecting of the surface of surface right. (5) In all other cases where a bond is not otherwise required, to furnish not less than 30 days before the due date of the next annual rental, a $1,000 bond conditioned on compliance with the lease obligations, but this requirement may be suspended or terminated with the written consent of such requirement may be suspended or terminated with the written consent of such surety thereof. Any bond furnished by an operator shall cover only lands within the known geologic structure of a producing oil or gas field.

(b) *Compensatory or unit plan.*—Within 30 days of demand, or, if the leased land is committed to an approved unit or cooperative plan and such plan is terminated prior to the expiration of this lease, within 30 days of demand quote thereafter, to subscribe to and to operate under such reasonable compensatory or unit plan for the development and operation of the area, field, or pool, or part thereof, embracing the lands included herein or the Secretary of the Interior may then determine to be practicable and necessary or advisable, which plan shall adequately protect the rights of all parties in interest, including the United States.

(c) *Wells.*—(1) To drill and produce all wells necessary to protect the leased land from drainage by wells on lands not the property of the lessor, or lands of the United States leased on a lower royalty rate, or as to which the royalties and rentals are paid less than different funds than are those of this lease, or in lieu of any part of such drilling and production, with the consent of the Director of the Geological Survey, to compensate the lessor in full each month for the estimated loss of royalty through drainage in the amount determined by said Director; (2) as the station of the lessor, to drill and produce other wells in conformity with any system of well spacing or production allowances affecting the field or area in which the leased lands are situated, which is authorized and sanctioned by applicable law or by the Secretary of the Interior; and (3) promptly after due notice in writing to drill and produce such other wells on the Secretary of the Interior may reasonably require in order that the leased premises may be properly and timely developed and produced in accordance with good operating practice.

(d) *Rentals and royalties.*—(1) To pay rentals and royalties in amount or value of production removed or sold from the leased lands as follows:

Rentals.—To pay the lessor in advance an annual rental at the following rates:

(a) If the lands are wholly outside the known geologic structure of a producing oil or gas field:

(i) For the first lease year, a rental of 25 cents per acre or fraction thereof, or if the lands are in Alaska, 25 cents per acre or fraction thereof.

(ii) For the second and third lease years, no rental.

(iii) For the fourth and fifth years, 25 cents per acre or fraction thereof.

(iv) For the sixth and each succeeding year, $1 per acre or fraction thereof, or if the lands are in Alaska, $1 cents per acre or fraction thereof.

(b) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field:

(i) Beginning with the first lease year after 90 days' notice that all or part of the land is included in such a structure and for each year thereafter, prior to a discovery of oil or gas on the lands leased, $1 per acre or fraction thereof.

(ii) If this lease is committed to an approved cooperative or unit plan which includes a well capable of producing oil or gas and contains a general provision for allocation of production, the rental prescribed by the respective lease years in subparagraph (a) of this section, shall apply to the acreage not within a participating area, except that the rental for the second and the third lease years for such acreage shall be 25 cents per acre or fraction thereof.

Minimum royalty.—Commencing with the lease year beginning on or after a discovery on the leased land, or may the lessor in lieu of rental, a minimum royalty of $1 per acre or fraction thereof at the expiration of each lease year, or the difference between the actual royalty paid during the year if less than $1 per acre, and the prescribed minimum royalty of $1 per acre, provided that if this lease is suitable, the minimum royalty shall be payable only on the participating acreage and rental shall be payable on the nonparticipating acreage as provided in subparagraph (b) (ii) above.

Royalty on production.—To pay the lessor 12½ percent royalty on the production removed or sold from the leased lands computed in accordance with the Oil and Gas Operating Regulations (30 CFR Pt. 221). Provided, however, that if this lease covers lands in Alaska and the lessee drills and makes the first discovery of oil or gas in commercial quantities in any geologic structure, the royalty on production hereunder shall be 8 percent for 10 years following the date of discovery, and thereafter the royalty rate shall be 12½ percent. If this lease is committed to an approved unit or cooperative plan, the 8 percent rate herein provided shall, for the purposes of computing royalty due the United States, inure to the benefit of all committed land within the participating area established by reason of such discovery.

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gasoline, and other products obtained from gas, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters; and, whenever appropriate, after notice and opportunity to be heard.

(3) When paid in value, such royalties on production shall be due and payable monthly on the last day of the calendar month next following the calendar month in which produced. When paid in amount of production, such royalty products shall be delivered in merchantable condition, on the premises where produced without cost to lessor, unless otherwise agreed to by the parties hereto, at such times and in such tanks provided by the lessee as reasonably may be required by the lessor, but in no case shall the lessor be required to hold such royalty oil or other products in storage beyond the last day of the calendar month next following the calendar month in which produced nor be responsible or hold liable for the loss or destruction of royalty oil or other products in storage from causes over which he has no control.

(e) *Records or minimum royalty.*—Such records as may be required and royalties on the amount computed or any portion thereof computed for royalty purposes may be reduced if the Secretary of the Interior determines that, for the purpose of encouraging the greatest ultimate recovery of oil or gas and in the interest of conservation of natural resources, it is necessary, in the judgment, to do so in order to promote development, or because the lease cannot be successfully operated under the terms fixed herein.

(f) *Payments.*—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, in the order of the Treasurer of the United States, such payments to be tendered to the manager of the land office in the district in which the lands are located or to the Director of the Bureau of Land Management if there is no land office in the State in which the lands are located.

(g) *Contracts for disposal of products.*—To file with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract, or evidence of other arrangement, for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land: *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of determining royalties on products sold or otherwise disposed of in accordance with the regulations and in accordance with the law and these regulations.

(h) *Reservoir, plats and records.*—To make such maps and in such form as the lessor may prescribe, to furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost; a plat showing development work and improvements on the leased lands; and a report with respect to abandonment, increased, suspension and cause.

(i) *Well records.*—To keep a daily drilling record, a log, and complete information on all well surveys and tests in form acceptable to or prescribed by the lessor of all wells drilled on the leased lands, and on application record of all subsurface investigations affecting said lands, and to furnish them, or copies thereof, to the lessor when required. All information obtained under this paragraph, upon the request of lessee, shall not be open to inspection by the public until the expiration of the lease.

(j) *Inspection.*—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(k) *Diligence, prevention of waste, health and safety of workmen.*—To exercise reasonable diligence in drilling and producing the wells herein provided for unless excused by the supervisor temporarily to protect the lessee; to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to other mineral deposits, for preservation of gas energy, for the conservation and preservation of the property for future productive operations, and for the health and safety of workmen and employees; to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any other lease or permit upon which the right to this lease was predicated, before abandonment the power to carry out at expense of the lessee all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purposes of such orders at the lessee's cost: *Provided*, That the lessee shall not be held responsible for delays or accidents occasioned by causes beyond lessee's control.

(l) *Payments.*—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, in the order of the Treasurer of the United States, such payments to be tendered to the manager of the land office in the district in which the lands are located or to the Director of the Bureau of Land Management if there is no land office in the State in which the lands are located.

(m) *Conformity to purchaser of products.*—To file with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract, or evidence of other arrangement, for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land: *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of determining royalties on products sold or otherwise disposed of in accordance with the regulations and in accordance with the law and these regulations.

(n) *Statements, plats and records.*—At such times and in such form as the lessor may prescribe, to furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost; a plat showing development work and improvements on the leased lands; and a report with respect to abandonment, increased, suspension and cause.

(o) *Well records.*—To keep a daily drilling record, a log, and complete information on all well surveys and tests in form acceptable to or prescribed by the lessor of all wells drilled on the leased lands, and on application record of all subsurface investigations affecting said lands, and to furnish them, or copies thereof, to the lessor when required. All information obtained under this paragraph, upon the request of lessee, shall not be open to inspection by the public until the expiration of the lease.

(p) *Inspection.*—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(q) *Diligence, prevention of waste, health and safety of workmen.*—To exercise reasonable diligence in drilling and producing the wells herein provided for unless excused by the supervisor temporarily to protect the lessee; to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to other mineral deposits, for preservation of gas energy, for the conservation and preservation of the property for future productive operations, and for the health and safety of workmen and employees; to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any other lease or permit upon which the right to this lease was predicated, before abandonment the power to carry out at expense of the lessee all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purposes of such orders at the lessee's cost: *Provided*, That the lessee shall not be held responsible for delays or accidents occasioned by causes beyond lessee's control.

(r) *Penalties.*—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, in the order of the Treasurer of the United States, such payments to be tendered to the manager of the land office in the district in which the lands are located or to the Director of the Bureau of Land Management if there is no land office in the State in which the lands are located.

(s) *Assignment of oil and gas lease or interest therein.*—As required by applicable law, to file for approval within 90 days from the date of final execution any instrument of transfer made of this lease, or any interest therein, including assignments of record, title, working or royalty interests, operating agreements and sublessees, such instrument to take effect upon the final approval by the Director, Bureau of Land Management, as of the first day of the lease month following the date of filing in the proper land office.

(t) *Fixtures to purchaser or removal at reasonable rates and without discrimination.*—If proper, or operator, or owner of a pipeline necessary in any pipeline or of any reservoir operating the same which may be operated accessible to the oil or gas derived from lands under this lease, to accept and convey said, if a purchaser of such products, or purchaser at reasonable rates and without discrimination, the oil or gas of the Government or of any citizen or company not the owner of any pipeline, operating a lease or purchaser or sublease oil, gas, natural gasoline, or other products under the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913, 30 U. S. C. sec. 351).

(u) *Lands patented with oil and gas deposits reserved to the United States.*—To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the terms reserving to the United States the deposits of oil and gas therein, subject to such conditions as are or may hereafter be provided by the laws reserving such oil or gas.

(v) *Reserved or segregated lands.*—If any of the land included in this lease is embraced in a reservation or segregated for any particular purpose, to conduct operations thereunder in conformity with such requirements as may be made by the Director, Bureau of Land Management, for the protection and use of the land for the purpose for which it was reserved or segregated, so far as may be consistent with the use of the land for the purpose of this lease, which latter shall be regarded as the dominant use unless otherwise provided herein or separately stipulated.

(w) *Protection of surface, natural resources and improvements.*—To take such reasonable steps as may be needed to prevent operations from unnecessarily: (1) Causing or contributing to soil erosion or damaging any forage and timber growth thereon, (2) polluting the waters of reservoirs, springs, streams or wells, (3) damaging crops, including forests, timber, or improvements of a surface owner, or (4) damaging range improvements whether owned by the United States or by its grazees permittees or lessees; and upon abandonment of operations, as far as may reasonably be done, to restore the surface to its former condition. The lessor may prescribe the steps to be taken and precautions to be made with respect to lands of the United States and improvements thereon.

(x) *Controlling regulations.*—Not to create unwarranted injury to the rights of the permit; except as otherwise authorized by the regulations.

(y) *Proper grounds in cases of forfeiture.*—To diligently set up to the lessor in good order and repair the land leased including all improvements which are necessary for the preservation of productive wells.

SEC. 3. The lessor reserves:

(a) *Easements and rights-of-way.*—The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the lands leased, occupied, or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in the act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) *Disposition of surface.*—The right to lease, sell, or otherwise dispose of the surface of the leased lands under existing law or laws hereafter enacted, insofar as said surface is not necessary for the use of the lessee in the extraction and removal of the oil and gas therein, or as shown by any reasonable use of such lands which will not unreasonably interfere with operations under this lease.

(c) *Adequate and fair prices.*—Full power and authority to prescribe and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to prevent the interests of the United States, to prevent monopoly, and to safeguard the public welfare.

(d) *Withdrawal.*—Subject to paragraph 2 of the act, and section 7 of the act of March 3, 1927 (44 Stat. 1364), as amended, the possession and the right to extract helium from all gas produced under this lease, subject to such rules and regulations as shall be prescribed by the Secretary of the Interior. In case the lessor elects to take the helium the lessee shall deliver all gas containing same, or portion thereof desired, to the lessor at any point on the leased premises in the manner required by the lessor, for the extraction of the helium in such plant or reduction works for that purpose as the lessor may provide, otherwise after the right shall be returned to the lessee with no substantial delay in the delivery of gas produced from the well to the purchaser thereof. The lessee shall not suffer a diminution of value of the gas from which the helium has been extracted, or loss otherwise, for which he is not reasonably compensated, save for the value of the helium extracted. The lessor further reserves the right to store, measure, and transmit any and all reducing works and other equipment necessary for the extraction of helium on the premises leased.

(e) *Taking of royalties.*—All rights pursuant to section 36 of the act, to take royalties in amount or in value of production.

(f) *Coaling.*—All rights to pursuant to section 28 of the act to purchase coaling, and lease or operate valuable water wells.

(g) *Purchase of materials.*—Pursuant to section 10 of the act of August 1, 1946 (60 Stat. 734, 755; 42 U. S. C. 1801, 1810), all uranium, thorium, and other materials determined to be peculiarly essential to the production of fissionable materials, contained in whatever concentration, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine and remove the same, making just compensation for any damage or injury occasioned thereby.

SEC. 4. *Drilling and producing restrictions.*—It is agreed that the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease shall be subject to control in the public interest by the Secretary of the Interior, and in the exercise of his judgment the Secretary may take into consideration, among other things, Federal laws, State laws, and regulations issued thereunder, or lawful agreements between operators regulating either drilling or production, or both. After operations, the Secretary of the Interior, or any person, commission, or State or Federal officer or agency so authorized in the unit plan, may alter or modify from time to time, the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease.

SEC. 5. *Surrender and termination of lease.*—The lessee may surrender this lease or any legal subdivision thereof by filing in the proper land office a written relinquishment in triplicate, which shall be effective as of the date of filing subject to the continued obligations of the lessee and his surety to make payment of all accrued rentals and royalties and to place all wells on the land to be abandoned in condition for suspension or abandonment in accordance with the applicable lease terms and regulations.

SEC. 6. *Purchase of materials, etc., on termination of lease.*—Upon the termination of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools, and materials other than improvements needed for production under any operation, tools, pipelines, machinery, structures, and equipment subject to removal as above provided, which are placed on the leased lands shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted because of adverse climatic conditions theretofore said period: *Provided*, That the lessee shall remove any or all of such property where so directed by the lessor.

SEC. 7. *Proceedings in case of default.*—If the lessee shall not comply with any of the provisions of the act or the regulations thereunder or of the lease or make default in the performance or observance of any of the terms hereof and such default shall continue for a period of 30 days after service of written notice thereof by the lessor, this lease may be canceled by the Secretary of the Interior in accordance with section 31 of the act, except that if this lease covers lands known to contain valuable deposits of oil or gas, the lease may be canceled only by judicial proceedings in the manner provided in section 31 of the act: but this provision shall not be construed to prevent the exercise by the lessor of any legal or equitable remedy which the lessor might otherwise have. Upon cancellation of this lease, any person injured, or considered determined by the lessor to be necessary for use in prospecting or preserving any well drilled on the leased land shall remain in force and effect as to the leased land until 90 days after notice of cancellation, service of the lessee. A waiver of any particular cause of forfeiture shall not prevent the cancellation and forfeiture of this lease for any other cause of forfeiture, or for the same cause occurring at any other time.

SEC. 8. *Heirs and successors-in-interest.*—It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

SEC. 9. *Unlawful interest.*—It is also further agreed that no Member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior, shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of section 3741 of the Revised Statutes of the United States, as amended (41 U. S. C. sec. 22), and sections 431, 432, and 433, Title 18, United States Code, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

INSTRUCTIONS

GENERAL INSTRUCTIONS

1. This offer must be filed in on a typewriter or printed plainly in ink and must be signed in ink.

2. This form is to be used in offering to lease unappropriated public domain lands or oil and gas deposits reserved to the United States in acquired lands (or the purpose of drilling, mining, extracting, removing and disposing of oil and gas deposits, except helium, therefrom. This form should not be used in offering to lease mineral deposits or lands on a known geologic structure of a producing oil or gas field.

3. Offers in large group by single or individuals 21 years of age or over who are citizens of the United States, and by associations, partnerships or corporations.

4. This offer cannot be processed to contemplate and filed in the proper land office. The term "filing" means the actual receipt at the office in the proper land office. If the land is in a State in which there is no land office, the offer must be filed with the Director, Bureau of Land Management, Department of the Interior, Washington 25, D. C. If less than five copies are filed, the offeror will have 15 days from the date of first filing to file the other required copies, failing in which the offer will be rejected and returned to the offeror and will afford no priority.

5. The offeror shall mark one of the copies first filed as the one with the word "original." If that is not done, the necessary will so mark one copy. If there is any variation in the land description among the five copies, the one marked "original" shall govern as to the lands covered by the lease.

6. If additional space is needed in furnishing any of the required information it should be prepared on additional sheets, numbered and attached and made part of this offer as lands, such additional sheets as the attached to each copy of the form submitted.

7. If any of the land described in item 3 of the offer is open to oil and gas lease filing when the offer is filed but is withdrawn from the lease for any reason and thereafter becomes available for leasing to the offeror, the original lease will be segregated to include the withdrawn land, unless before the issuance of the amendment on Form 4-1179, the land office receives the withdrawal of the offer as to such land or the offeror fails to receive a separate lease to be dated in accordance with 43 CFR 192.43, in which case such separate lease will be issued. If the lease is segregated the rental charged and the lease term will be the same as though the added land had been included in the original lease when it was issued.

8. As an incident to the assignment of the whole interest in all or any part of the lease, the lessee may retain the whole interest in all or any part of the offer. As an incident to the assignment of an undivided fractional interest in the whole lease, the lessee may retain an undivided fractional interest in the whole offer. A submission for approval of assignments of an offer must include a statement that the assignee agrees to be bound by the offer to the extent it is assigned and must be signed by the assignee. In other instances assignments of the offer will not be approved prior to the issuance of a lease for the lands or deposits covered by said assignments.

9. The offer will be rejected and returned to the offeror with any rental paid and will afford the applicant no priority if: (a) The land description is insufficient to identify the lands or the lands are not entirely within a known geologic structure of a producing oil or gas field, except where the rule of approximation applies. (b) The full filing fee and the first year's rental do not accompany the offer. The rental payment to be for the total number of leases, and if not known, for the most acreage contained in the lands of all sizes for each applicant legal subdivision. (c) The offer is signed by an agent in behalf of the offeror and the offer is not accompanied by a statement over the agent's own signature with respect to holdings and citizenship and the guidance of the agent's authority to execute the offer and lease. (d) The offer is signed by a minor under 21 years of age or at least three months have elapsed since the offeror became 21 years of age. (e) More than one offer is included in the same envelope. (f) Less than five copies of the offer are filed and the copies including the one considered by the land office, before the expiration of 15 days from the date of receipt of the copies first filed. (g) There is noncompliance with item 2 (a), 3 (b) and 5 (a) of the General Instructions. (h) The offer form is filed subsequent to the application date in the above left hand corner.

SPECIAL INSTRUCTIONS

Item 2.—Total area of land requested should be shown in acres in space provided at bottom of item 2. That area, except where the rule of approximation applies, must not exceed 2,560 acres. All of the land must be within a 6-mile square. The lands requested should be described by legal subdivision, aliquot parcels, lots, acreage, and name, and if unsurveyed, by metes and bounds commencing at the nearest and closest corner of the public land survey. Where possible the nearest land subdivision of unsurveyed lands should be stated.

Item 3.—This space is not to be filled in. When lease is issued this matter with regards the identification of the leased area and rental acres.

Item 4.—The next nearest contract should include a $10 filing fee and the first year's rental of the land requested at the rate of 25 cents an acre or fraction thereof. The $10 filing fee is required as a service charge, even in those cases where the offer or lease is subsequently rejected. In order to protect the offeror's priority with respect to the land requested, it is important that the rental payment submitted with the offer be sufficient to cover all the land requested at the rate of 25 cents an acre or fraction thereof. If the land requested includes lots or irregular quarter-quarter sections, the exact area of which is not known to the offeror, rental may be submitted for the purposes of the offer on the basis of such each lot or quarter-quarter section considered as large. If the offer is withdrawn in whole or in part before a lease is issued or if the offer is rejected in whole or in part, the rental received for the parts withdrawn or rejected will be returned. Where, at the time the lease is to be issued, the land applied for or any part of it is within a known geologic structure of a producing oil or gas field, the lessee will be billed the additional rental of 25 cents an acre on all the leased land at the yearly rental as such lands of $1 per acre. In Alaska, the rental required to accompany the offer should be at the rate of 25 cents per acre.

Item 5 (a).—Lessee will indicate whether a citizen by birth or naturalization. If naturalized give date of naturalization, the court in which naturalized, and the certificate number of lessee. If lessee is a woman, state whether married or single, and if married, the date of marriage and the maiden name as to the nationality of her husband. This information should be supplied as a separate sheet attached to Form 4-1124.

If lessee is a representative of group eligible to contract with respect to the citizenship provisions by filing a copy of his articles of incorporation, and a sworn statement showing the percentage of such stock of the stock, and the percentage of all the such stock is owned or controlled by or on behalf of persons whose true citizenship leaves in no way the compensation that relates to the lease, and in the manner here addressed outside of the United States, there are aliens, or who of such have such rights. If more than 20 percent of the voting stock or of all of the stock is owned or controlled by or on behalf of such persons, the corporation must give their names and addresses, the amount and class of stock held by each, and to the extent known to the corporation, or which may be reasonably ascertained by it, the facts as to the citizenship of each such person. If any intermediate possession of the stock of the corporation is held for aliens of the aforesaid class, the application will be denied. If 20 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate statement of his citizenship and holdings must be furnished. If a certificate of incorporation has been filed, a reference to the previous record by serial number, together with a statement of any subsequent amendments, will be sufficient. A single copy of any additional information required by the provisions of this paragraph will be sufficient.

Item 6 (b).—Acreage included in unit plans and certain section 14 and 16 leases is not chargeable.

Item 7 (a).—Whenever applicable, the stipulations referred to will be made a part of this lease and will be furnished the lessee with the lease when issued. The forms covering them with a brief description are as follows: 4-1141 stipulations for lands in national forests; 4-1142 lands generally; 4-1143 lands within the Kern limits of reservoir site; 4-1144 lands within the drainage area of a reservoir site; 4-1145 lands within the drainage area of a reservoir. Whenever other stipulations are necessary, lessee will be required to agree to them before the issuance of the lease.

Item 7 (d).—If lessee is a corporation, no offer to lease will be accepted if corporate officer by the minutes of the meeting of the board of directors, or a copy of the bylaws indicating the officer signing the offer to lease has authority to do so, or by a certificate of the secretary or the assistant secretary of the corporation to that effect over the corporate seal. A photo copy of any additional information required by the provisions of this paragraph will be sufficient.

Item 7 (e).—If there are overlaps attach a sheet giving the name and post-office address of each and description of the lands claimed by same and brands and approximate land subdivisions.

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998

BUREAU OF LAND MANAGEMENT

Form No. 4-1176
(July 1952)

Facsimile authorization
Number 748
Casper, Wyoming

OFFICE STAMP

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOT TO BE FILLED IN BY LESSEE
Receipt No. .....
The following to be filled in by land office when new serial number is required:
New Serial No. .....

Office Wyoming
Serial No. 08592
Date of Lease October 1, 1951

ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

The undersigned, as owner of record title interest as hereinafter specified in the oil and gas lease designated above,

for good and valuable consideration does hereby assign to Ernest S. Baker
(Name and address)
P. O. Box 841, Casper, Wyoming

the right, title, and interest in and to the lands embraced in such lease as specified below, giving and granting to assignee rights and privileges as lessee in such lands, to the extent indicated, subject to the reservations of overriding royalties as herein noted:

1. Lands affected by this assignment:

Township 33 North, Range 109 West, 6th P. M.
Section 21 - S½S½
Section 28 - All
Section 29 - All
Section 32 - E½
Section 33 - All
Section 34 - W½W½

and containing 2560.00 acres, more or less

268388 4:20P
RECORDED July 23 1952 M
IN BOOK 108 OR 6 PAGE 297
FEES $ 7.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Sutton

2. Interest of assignor in such lands Full
3. Extent of such interest conveyed to assignee Full
4. Overriding royalty reserved herein to assignor One-Half of One Per Cent (1/2 of 1%)
(See item 8 of Instructions.) (State percentage only)
5. Overriding royalties previously reserved None
(State percentage only)

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief, and are made in good faith.

"This form is submitted in lieu of official Form 4-1176 and contains all of the provisions thereof as of the date of filing of this assignment."

Executed and witnessed this 25th day of July 1952

WITNESS:
Jan Herman, Box 856, Casper, Wyo.

Gwen Keif Chapin, (Assignor's signature) formerly known as and being one and the same person as Gwen Keif
P.O. Box 841 Casper, Wyoming
(Address)

REQUEST FOR APPROVAL OF ASSIGNMENT

The undersigned hereby requests approval of the above assignment and certifies as follows:

1. Assignee is a citizen of the United States: Native Born Yes Naturalized .....
   Corporation or other legal entity (specify what kind) .....
2. Assignee's other interests direct and indirect in oil and gas leases and applications or offers therefor in the same State together with the acreage in this instrument do not exceed 15,360 chargeable acres.
3. Assignee is 21 years of age or over, or if a corporation or other legal entity, is qualified as shown by statements attached hereto.
4. Amount remitted: Filing fee, $10.
5. Compliance with the requirements of 43 CFR 192.100 and item 6 of the Instructions is made by the attachments hereto.

The undersigned agrees to be bound by the terms and provisions of said lease, provided the assignment is approved by the signing officer of the Bureau of Land Management, and further agrees that the obligation to pay any overriding royalties or payments out of production created herein, which, when added to overriding royalties or payments out of production previously created, and to royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production per well per day averaged on the monthly basis is (a) as to oil: 15 barrels or less and (b) as to gas: 500,000 cubic feet or less, and that such suspension will apply separately to any zone or portion of a lease segregated for competing Government royalty.

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief, and are made in good faith.

"This form is submitted in lieu of official Form 4-1176 and contains all of the provisions thereof as of the date of filing of this assignment."

Executed and witnessed this 25th day of July 1952

WITNESSES:
[illegible], 2028 Casper, Wyo.
Jan Herman, Box 856, Casper, Wyo.

Ernest S. Baker (Assignee's signature)
P. O. Box 841, Casper, Wyoming
(Address)

Assignment approved effective August 1, 1952

THE UNITED STATES OF AMERICA

By [signature] (Signing officer)
Manager, Land and Survey Office.
(Title)

NOTE.—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.

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
[signature]
BUREAU OF LAND MANAGEMENT

297

INSTRUCTIONS

1. *Use of Form.*—This form is to be used only for assignment of record title interests in oil and gas leases. It is not to be used for assignments of working or royalty interest, operating agreements or subleases. The assignor must fill in items 1 to 5 inclusive, and also insert in the appropriate spaces the office, serial number, and effective date of the lease involved in the assignment. If less than all of the lands in the lease are assigned, the specific subdivisions involved must be shown.

2. *Copies and Fees.*—All record title assignments must be filed in triplicate in the proper land office. If the land is in a State in which there is no land office they must be filed with the Bureau of Land Management, Washington 25, D. C. Where more than one assignment is made out of a lease a separate instrument of transfer for each assignment must be filed. An assignment may cover lands in only one lease. Assignments must be filed within 90 days from date of final execution and each must be accompanied by a fee of $10. Such fee will not be returned even though the assignment later be withdrawn in whole or in part. Any assignment unaccompanied by the required fee will not be accepted.

3. *Citizenship.*—An individual must show that he is 21 years of age or over and will indicate whether a citizen by birth or naturalization. If production is obtained under the lease or allocated to it, the citizenship status of the assignee will be verified.

4. *Qualifications of Corporations.*—If assignee is a corporation it must show it is qualified with respect to the citizenship provision by filing a copy of its articles of incorporation, certified to by the Secretary of the State of incorporation and it must furnish a statement showing the percentage of each class of its stock which is owned or controlled by or on behalf of persons whom the corporation knows to be or who the corporation has reason to believe are aliens, or who have addresses outside of the United States, indicating which classes of stock have voting rights. If more than 10 percent of the voting stock or if all of the stock is owned or controlled by or on behalf of such persons, the corporation must give their names and addresses, the amount and class of stock held by each, and, to the extent known to the corporation, or which can be reasonably ascertained by it, the facts as to the citizenship of each such person. If any appreciable percentage of the stock of the corporation is held by aliens of the excepted class, its application will be denied. If 20 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate showing of his citizenship and holdings must be furnished. A corporation also must furnish either the minutes of the meeting of the board of directors, or a copy of the bylaws indicating the officer signing the application has authority to do so, or a certificate of the Secretary or assistant secretary of the corporation to that effect over the corporate seal. Where a corporation has previously filed in any land office any of the documents required by this and the previous paragraph, a reference to that file by serial number may be made in lieu of the document together with a statement of any subsequent amendments. A single copy of any additional information required by the provisions of this and the preceding paragraph will be sufficient.

5. *Payment Out of Production.*—Any overriding royalties or payments out of production created by an assignment but not set out therein must be described in an accompanying statement. If payments out of production are reserved, outline in detail the amount, method of payment, and other pertinent terms.

6. *Bonds.*—Where an assignment is of an entire lease which is covered by an outstanding lease bond, it must be accompanied by a new bond or in lieu thereof the consent of the surety on the bond of record to remain bound thereunder with the assignee as the substituted principal. If an undivided lease interest is assigned, the assignment must be accompanied by the consent of the surety on the bond of the assignor to inclusion of the assignee as a joint-principal on the bond, or a new bond with assignor and assignee as joint-principals may be furnished. Any assignment which does not convey the assignor's record title in all of the lands in the lease must also be accompanied by consent of his surety to remain bound under the bond of record for the lease interest retained by said assignor, if the bond, by its terms, does not contain such consent. If a party to the assignment has previously furnished a Nation-wide bond on either form 4–1167 or 4–1168 applicable to the State and the act under which the lease issued, no additional showing is necessary by such party as to the bond requirement.

7. *Lease Account.*—All rentals and royalties due under a lease must be paid when an assignment is filed, or before the assignment is reached for action, otherwise the lease may be canceled.

8. *Assignment of Separate Zone or Deposit.*—An assignment of a separate zone or deposit or of a part of a legal subdivision will not be approved unless the necessity therefore is established by clear and convincing evidence which must accompany the request for approval of the assignment.

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998

BUREAU OF LAND MANAGEMENT

[redacted] [redacted] [redacted]

RECEIVED MAR 23 [illegible]

ASSIGNMENT OF OIL AND GAS LEASE WYOMING 085

FROM ERNEST S. BAKER TO MALCO REFINERIES, INC.

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, the undersigned, Ernest S. Baker, is the lessee of record of that certain oil and gas lease bearing Serial Number Wyoming 08592, which lease was issued by the United States of America under date of October 1, 1951, and covers lands in the County of Sublette, State of Wyoming, described as follows:

Township 33 North, Range 109 West, 6th P. M., Wyoming

Section 21 - S½S½
Section 28 - All
Section 29 - All
Section 32 - E½
Section 33 - All
Section 34 - W½W½

containing 2,560.00 acres, more or less.

Assignment Approved Effective APR 1 1955

ARVIN H. OLSWOLD
CHIEF, MINERALS SECTION
LAND OFFICE, CHEYENNE, WYOMING

WHEREAS, the "Option for Assignment of Oil and Gas Lease" covering said lease and formerly held by Continental Oil Company is now held by Malco Refineries, Inc.

NOW, THEREFORE, for and in consideration of One Dollar ($1.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby confessed and acknowledged, the said Ernest S. Baker does hereby sell, assign, transfer, convey and set over unto Malco Refineries, Inc., all his right, title and interest in and to said oil and gas lease; but subject, however, to a total overriding royalty of Four Percent (4%) as reserved or conveyed as follows:

(1) An overriding royalty of One-Half of One Percent (½ of 1%) as heretofore reserved to Gwen Keif Chapin.

(2) An overriding royalty of One-Half of One Percent (½ of 1%) as hereby reserved unto the said Ernest S. Baker.

(3) An overriding royalty of One and One-Half Percent (1½%) as heretofore conveyed by Ernest S. Baker to LeRoy H. Hines and June Hines, husband and wife.

(4) An overriding royalty of One and One-Half Percent (1½%) as heretofore conveyed by Ernest S. Baker to Walter G. Davis and Robbie E. Davis, Husband and wife.

268389
4:20
RECORDED July 23 1998 M
IN BOOK 108 of R PAGE 299
FEES $ 6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Seaton

This Assignment is made subject to the terms and conditions of the "Pinedale Unit", Sublette County, Wyoming.

IN WITNESS WHEREOF, the said Ernest S. Baker has hereunto set his hand this 31st day of Dec, 1954.

CERTIFIED
to be a true and comparative copy
of the official records on file
JUL 16 1998
BUREAU OF LAND MANAGEMENT

Witnesses:

A Dane Kelly

Ernest S Baker
ERNEST S. BAKER

Marietta Mellen

Bond for this assignment fee, Rec. #[illegible]

ORIGINAL

299

300

ASSIGNMENT

RECEIVED
Bureau of Land Management
Land Office
Cheyenne, Wyoming
DEC 3 1964
A M 1 2 3 4 5 6 7 8 9 10 11 12 1 2 3 4 5 6 P M

KNOW ALL MEN BY THESE PRESENTS, THAT:

For and in consideration of the Sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, Continental Oil Company, a Delaware corporation, does hereby give, grant, assign, transfer and convey unto El Paso Natural Gas Company, a Delaware corporation, and its personal representatives, successors and assigns, to have and to hold forever all of assignors interest in the following described oil and gas lease insofar only as it covers the following described lands: 1/

That certain oil and gas lease dated October 1, 1951 with the United States of America as Lessor and bearing Cheyenne, Wyoming Federal Land Office Serial Number W-08592 insofar as it pertains to the following described lands located in Sublette County, Wyoming:

Township 33 North, Range 109 West, 6th P.M.
Section 21: S½S½
Section 28: All
Section 29: All
Section 32: E½
Section 33: All
Section 34: W½W½

COMMITTED TO [illegible] UNIT
NO. [illegible]
APPROVED [illegible]

Assignment Approved Effective JAN 1 1965

Bruce H. Morgan
ASSISTANT MANAGER, OIL & GAS

containing 2,560.00 acres, more or less

268390

RECORDED July 23 1998 4:20p M
IN BOOK 108 O16 PAGE 1300
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

This assignment is made and accepted without covenants of warranty whatsoever, and is subject to any rights or interests previously established or created as shown of record.

A copy of the Power of Attorney authorizing execution of instruments of this nature is filed in the Case File for Lease W-0278844-A and such authority is still in effect.

EXECUTED this 10th day of December, 1964.

CONTINENTAL OIL COMPANY

By J W McReynolds
Attorney in Fact
J. W. McReynolds

STATE OF OKLAHOMA)
) ss.
COUNTY OF KAY)

On this 10th day of December, 1964, before me, the undersigned Notary Public, personally appeared J. W. McReynolds, personally known to me to be and who, being by me duly sworn, did say that he is the person who is described in the within and foregoing instrument as Attorney in Fact of CONTINENTAL OIL COMPANY, a Delaware corporation, and who, as such Attorney in Fact, subscribed, signed and executed said instrument and he duly acknowledged to me that as such Attorney in Fact he subscribed, signed and executed said instrument as his free and voluntary act and deed on behalf of and as the free and voluntary act and deed of said CONTINENTAL OIL COMPANY, as principal, and for the purposes therein contained and by authority of a resolution of its Board of Directors.

My commission expires September 13, 1966

Witness my hand and official seal.

H. F. Iryck

H. F. IRYCK

CERTIFIED
to be a true and comparative copy
of the official records on file
JUL 16 1998
BUREAU OF LAND MANAGEMENT

LAND OFFICE COPY

1/ its undivided 1/3 record title interest.

W-299

ATTEST:

By: C C Riley
Assistant Secretary

CONTINENTAL OIL COMPANY

By: [signature]
Vice President

ATTEST:

By: A C Martek
Assistant Secretary

EL PASO NATURAL GAS COMPANY

By: [signature]
Vice President

ATTEST:

By: E A. Durst
Secretary

MALCO REFINERIES, INC.

By: Donald B Anderson
Vice President
ASSIGNEES

(Corporate Acknowledgment for Utah)

STATE OF TEXAS)
) SS.:
COUNTY OF EL PASO)

On the 16th day of April, 19 55, personally appeared before me H. F. STEER

who being by me duly sworn did say that he is the Vice President of EL PASO NATURAL GAS COMPANY

and that said instrument was signed in behalf of said corporation by authority of its by-laws, and said H. F. STEER

acknowledged to me that said corporation executed the same.

Given under my hand and seal this ..... day of ....., 19 .....

Helen Adams
Notary Public,
Residing at:
Helen Adams
Notary Public, in and for El Paso County, Texas
My commission expires June 1, 1955

My commission expires:

JUN 1 1955

Form 9-59 (Rev. 2-64)

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

No. 917C. Reproduced by Bradford-Robinson Ptg. Co., 1924-44 Stout St., Denver, Colo.

Form 3120-13
(August 1964)
(formerly 4-1175)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HD-W-2175 76977

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE*

Serial Number
Wyoming 08592
TO BE FILLED IN BY LAND OFFICE
Effective Date of Base Lease
October 1, 1951
New Serial Number

The undersigned, as owner of record title of the above-designated oil and gas lease, hereby transfers and assigns to

(name) Mountain Fuel Supply Company
(address) P. O. Box 989
Salt Lake City, Utah

the record title interest in and to such lease as specified below.

RECEIVED
Bureau of Land Management
Land Office
Cheyenne, Wyoming
AUG 24 1965
AM 7 8 9 10 11 12 1 2 3 4 5 6 PM

1. Describe the lands affected by this assignment (by legal subdivision, if surveyed)
Township 33 North, Range 109 West, 6th P.M.
Section 21: S/2 S/2 Section 32: E/2
Section 28: All Section 33: All
Section 29: All Section 34: W/2 W/2
containing 2,560.00 acres, more or less, Sublette County, Wyoming

COMMITTED TO UNIT
NO. 14-08-0001-1691
APPROVED 7-26-65

This assignment is made without warranty of title and is subject to rights or interests previously reserved or granted. It is expressly subject to Farmout Agreement dated August 2, 1963, by and between Continental Oil Company, El Paso Natural Gas Company, Hondo Oil & Gas Company, and Mountain Fuel Supply Company

2. What interest was held by the assignor in above-described lands prior to this assignment?
Hondo Oil & Gas Company 33-1/3%; El Paso Natural Gas Company 66-2/3%

3. What percentage of the assignor's interest is being conveyed to assignee? percent
Hondo Oil & Gas Company 40%; El Paso Natural Gas Company 55%

4a. What overriding royalty or production payments is the assignor reserving herein? *(See item 4 of the Instructions; specify percentage)*
None

b. What overriding royalties or production payments, if any, were previously reserved? *(percentage only)* 4.0%

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

IT IS HEREBY CERTIFIED, That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 3rd day of August, 1965

Hondo Oil & Gas Company
By Duane Moseley, Vice President
ATTEST: Ruth Petderwick
Assistant Secretary

El Paso Natural Gas Company
By Attorney-in-Fact
(Assignor's Address)
P. O. Box 1492, El Paso, Texas 79999

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

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below: SAME LAND DESCRIPTION AS ITEM 1

268391

RECORDED July 23 1965 M 4:20 P
IN BOOK 108 DR5 PAGE 302
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Burton

Assignment approved effective SEP 1 - 1965

Date approved SEP 15 1965

By David B. Morgan
(Authorized Officer)

ASSISTANT MANAGER, OIL & GAS
(Title)

*Lease extended under 43 CFR 3128.5 to and including (date)

NOTE: This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form in accordance with the provisions of 43 CFR 3128.2

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

REQUEST FOR APPROVAL OF ASSIGNMENT
Assignee hereby requests approval of assignment

1a. Is the assignee over 21 years of age *and* a citizen of the United States? ☐ Yes ☐ No

b. Is the assignee a corporation or other legal entity? ☒ Yes ☐ No *(If "yes," specify kind)*
A Utah Corporation - Public Utility
Qualified under Wyoming-0153814

c. If a corporation, attach qualifications or if already on file, give serial number of case file.

2. Is the assignee the sole party in interest in this assignment? ☒ Yes ☐ No *(If "no," information as to interests of other parties in the assignment must be furnished as prescribed in Item 3 of the Instructions)*

3. Is the filing fee of $10 attached? ☒ Yes ☐ No

ASSIGNEE CERTIFIES That assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,080 chargeable acres in options and leases in the same State; or 300,000 chargeable acres in leases and options in each leasing district in Alaska.

Assignee agrees to be bound by the terms and provisions of the lease described herein, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

This form is submitted in lieu of official Form 3110-13, and contains all of the provisions thereof as of the date of filing of this assignment.

IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith.

Executed this 20th day of August, 19 65

ATTEST:

R. R. Lamond
Assistant Secretary

MOUNTAIN FUEL SUPPLY COMPANY

M. M. Fidler
President (Assignee's Signature)

P. O. Box 11368
Salt Lake City, Utah 84111
(Address)

THE STATE OF TEXAS }
COUNTY OF DALLAS }

BEFORE ME, the undersigned authority, on this day personally appeared Boone Macaulay, Vice President of Hondo Oil & Gas Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Hondo Oil & Gas Company, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 3rd day of August, A. D., 1965.

My commission expires:

June 1, 1967

M. Pratt M. PRATT
Notary Public in and for
Dallas County, Texas

THE STATE OF TEXAS }
COUNTY OF El Paso }

BEFORE ME, the undersigned authority, on this day personally appeared Sam Smith, 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, the party thereto, and acknowledged to me that he executed the same as Attorney-in-Fact for the said El Paso Natural Gas Company, and that the said El Paso Natural Gas Company executed the instrument by and through him for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 3rd day of August, A. D., 1965.

My commission expires:

June 1, 1967

Vicki L. Lamond
Notary Public in and for
El Paso County, Texas

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

Unofficial Reproduction Issued By
Atlantic Richfield Company
P.O. Box 2819
Dallas, Texas 75221
Form 3106-5
(August 1974)

W-2175

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 42-R1599

Serial No. W-08592

New Serial No.

ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

PART I

EL PASO NATURAL GAS COMPANY

P. O. Box 1492

El Paso, Texas 79978

268392

RECORDED July 23 1979 M
IN BOOK 108 OG PAGE 304
FEES $ 5.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sutton

The undersigned, as owner of 20 percent of record title of the above-designated oil and gas lease issued, effective *(date)* October 1, 1951, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment *(43 CFR 3101 2-3)*

T-33N-R-109W:
Sec. 21: S/2 S/2
28: All
29: S/2 NW/4 NW/4, S/2 NE/4 NW/4, S/2 NW/4 NE/4, NE/4 NE/4 NE/4, S/2 N/2, S/2 NE/4 NE/4, S/2
32: E/2
33: All
34: W/2 W/2
containing 2,490 acres, more or less, Sublette County, Wyoming.

3. What part of assignor(s) record title interest is being conveyed to assignee? *(Give percentage or share)* ALL

4. What part of the record title interest is being retained by assignor(s)? NONE

5a. What overriding royalty or production payments is the assignor reserving herein? *(See item 4 of General Instructions; specify percentage.)* 3-1/8% of 8/8ths

b. What overriding royalties or production payments, if any, were previously reserved or conveyed? *(Percentage only)* 4%

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

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

Executed this 5th day of September, 19 78

HONDO OIL & GAS COMPANY

By: J. F. Wilson, Vice President

P. O. Box 2819
(Assignor's Address)

Attest:

Assistant Secretary

Dallas (City) Texas (State) 75221 (Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

SAME LAND DESCRIPTION AS ITEM 2

Assignment approved effective FEB 1 1979

By Thomas M. Lane
(Authorized Officer)

Chief, Oil & Gas Section
(Title)

JAN 25 1979
(Date)

Original

NOTE: *This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with the provisions of 43 CFR 3106*

CERTIFIED
to be a true and comparative copy of the official records on file

JUL 16 1998

BUREAU OF LAND MANAGEMENT

The undersigned, as owner of 20 percent of record title of the above-designated oil and gas lease issued effective *(date)* October 1, 1951, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2 Describe the lands affected by this assignment *(43 CFR 3101.2-1)*

T-33N-R-109W:
Sec. 21: S/2 S/2
28: All
29: S/2 NW/4 NW/4, S/2 NE/4 NW/4, S/2 NW/4 NE/4, NE/4 NE/4 NE/4, S/2 N/2, S/2 NE/4 NE/4, S/2
32: E/2
33: All
34: W/2 W/2
containing 2,490 acres, more or less, Sublette County, Wyoming.

3. What part of assignor(s) record title interest is being conveyed to assignee? *(Give percentage or share)* ALL

4. What part of the record title interest is being retained by assignor(s)? NONE

5a. What overriding royalty or production payments is the assignor reserving herein? *(See item 4 of General Instructions; specify percentage.)* 3-1/8% of 8/8ths

b. What overriding royalties or production payments, if any, were previously reserved or conveyed? *(Percentage only)* 4%

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

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

Executed this 5th day of September, 19 78

HONDO OIL & GAS COMPANY

By: J. L. Wilson, Vice President

P. O. Box 2819
(Assignor's Address)

Attest:
Muriel P. Mooney
Assistant Secretary

Dallas (City) Texas (State) 75221 (Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

"SAME LAND DESCRIPTION AS ITEM 2

Assignment approved effective FEB 1 1979

By Thelma M. Lane
(Authorized Officer)
Chief, Oil & Gas Section

JAN 25 1979
(Title) (Date)

NOTE: *This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with the provisions of 43 CFR 3106*

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1980
BUREAU OF LAND MANAGEMENT

STATE OF TEXAS)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, on this day appeared J. L. WILSON, to me personally known, who, being by me duly sworn, did say that he is the Vice-President of HONDO OIL & GAS COMPANY, a corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said J. L. WILSON acknowledged said instrument to be the free act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of September, 1978.

SEAL

Goldie H. Burnett GOLDIE H. BURNETT
Notary Public in and for
Dallas County, Texas

My commission expires:
JUN 30 1980

Form 3106-14
(October 1981)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1982 AUG 27 AM 9:30
RECEIVED
CHEYENNE, WYOMING

FORM APPROVED
OMB NO. 1004-0034
Expires: February 28, 1982

Lease Serial No.
W-08592

Lease effective date
October 1, 1951

1982 NOV 15 PM 1:12

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

PART I

1. Assignee's Name
El Paso Exploration Company

Address (include zip code)
P. O. Box 1492, El Paso, Texas 79978

The undersigned, as owner of 50 percent of operating rights in the above-designated oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease as specified below.

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

Tract #1
Township 33 North, Range 109 West
Section 21: S/2 S/2
Section 28: All
Section 29: S/2 N/2 NW/4, S/2 NW/4 NE/4, S/2 NE/4, NE/4, NE/4 NE/4 NE/4, S/2 N/2, S/2
Section 32: E/2
Section 33: All
Section 34: W/2 W/2
(Containing 2,490.00 acres, more or less)
Sublette County, Wyoming

~~Tract #2 as to depths below 13,176'~~
~~Township 33 North, Range 109 West~~
~~Section 29: N/2 N/2 NW/4, N/2 NW/4 NE/4, NW/4 NE/4 NE/4~~
~~(Containing 70.00 acres, more or less)~~

268393

RECORDED July 23 1998 M
IN BOOK 108 OF OG PAGE 306
FEES $5.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Deaton

4:20p

3. Specify interest or percent of operating rights being conveyed to assignee	20%(40% of 50%)
4. Specify interest or percent of operating rights being retained by assignor	30%(60% of 50%)
5. Specify overriding royalty interest being reserved by assignor	NONE
6. Specify overriding royalty previously reserved or conveyed, if any	7.125% in Tract #1; ~~10.75% in Tract #2 below 13,176'~~

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

8. If the parties to this transfer and assignment have entered into an operating agreement and/or sublease, the terms and conditions of such agreement/sublease (copy attached) are incorporated into and made a part of this assignment. Approval of this assignment shall constitute approval of the agreement/sublease insofar as such agreement/sublease is not inconsistent with the provisions of the above-designated lease and the applicable regulations.

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

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

Executed this 1st day of August, 19 82.

EL PASO NATURAL GAS COMPANY
BY: D. J. Caufield
(Assignor's Signature) Attorney-in-Fact
TFH
JBM

P. O. Box 1492
(Assignor's Address)

El Paso, Texas 79978
(City) (State) (Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1982

By Gloria M. Page
(Authorized Officer)
Chief, Oil & Gas Section
(Title)

FEB 1 1983
(Date)

CERTIFIED
to be a true and comparative copy of the official records on file
JUL 16 1998
BUREAU OF LAND MANAGEMENT

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form in accordance with the provisions of 43 CFR 3106

ORIGINAL

[redacted] [redacted] [redacted]

PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND/OR OPERATING AGREEMENT (SUBLEASE)

A. ASSIGNEE CERTIFIES THAT
1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed NM-43000.
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☒ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106).
6. A filing fee of $25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this transfer of operating rights and/or operating agreement (sublease) by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 5th day of August, 19 82.

EL PASO EXPLORATION COMPANY

BY: C T Hollimon Jr. — P. O. Box 1492
(Assignee's Signature) Vice President — (Assignee's Address)

ATTEST: TFH Jmm
Jerry R Simmons
Assistant Secretary — El Paso, Texas 79978
(City) (State) (Zip Code)

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

INSTRUCTIONS

1. *Use of Form* – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment.

2. *Filing and Number of Copies* – File three(3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. *Effective Date of Assignment* – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. Assignee's qualifications *must* be in full compliance with the regulations (43 CFR 3102). If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

4. *Statement of Interest of Other Parties* – If assignee *is not* the sole party in interest in the assignment, assignee or transferee *must* submit, at the time assignment is filed, a signed statement giving the names of any other parties who will have an interest in such operating rights. Within fifteen (15) days after the filing of the assignment, the assignee and all such other parties interested *must* submit, together with evidence of their qualifications to hold the lease interest, separate and signed statements giving the the nature and extent of the interest of each, the nature of the agreement between them, if oral; and a copy of the agreement, if written.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

GPO 931-060

Form 3106-5
(October 1983)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

1984 AUG -8 AM 9 30

RECEIVED
CHEYENNE, WYOMING

ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

Lease Serial No.
W-08592

Lease effective date
October 1, 1951

FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name
CELSIUS ENERGY COMPANY

Address (include zip code)
P. O. Box 11070, Salt Lake City, Utah 84147

Bond in sum of $ 150,000
with Amer. Ins.
as surety filed.

The undersigned, as owner of 50% percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment

T-33-N, R-109-W, 6th P.M.
Sec. 21: S½S½
Sec. 28: All
Sec. 29: All
Sec. 32: E½
Sec. 33: All
Sec. 34: W½W½

Containing 2,560.00 acres, m/l
Sublette County, Wyoming

Assignment approved as to lands described below

SAME LAND DESCRIPTION AS ITEM 2

268394 4:20 P

RECORDED July 23 1984 M
IN BOOK 108 on 8 PAGE 308
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

CERTIFIED
to be a true and complete copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

3. Specify interest or percent of assignor's record title interest being conveyed to assignee	100%
4. Specify interest or percent of record title interest being retained by assignor, if any	NONE
5. Specify overriding royalty being reserved by assignor	NONE
6. Specify overriding royalty previously reserved or conveyed, if any	7.125% of 8/8ths

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

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

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

Executed this 1st day of August, 19 84
MOUNTAIN FUEL SUPPLY COMPANY

J. L. Healey, (Assignor's Signature)
Attorney-in-Fact

Evidence of authority of Attorney-in-Fact is filed in W-0153814 and such authority is still in effect.

P. O. Box 11368
(Assignor's Address)

Salt Lake City, Utah 84139
(City) (State) (Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved effective SEP 1 1984

By ANDREW L. TARRANT
(Authorized Officer)
Chief, Oil & Gas Section
(Title)

JUL 30 1985
(Date)

ORIGINAL

NOTE: This form may be reproduced provided that copies are exact reproductions on one sheet of both sides of this official form as issued.

STATE OF UTAH }
COUNTY OF SALT LAKE } ss:

The foregoing instrument was acknowledged before me by J. L. HEALEY as ATTORNEY-IN-FACT of MOUNTAIN FUEL SUPPLY COMPANY this 1st day of August, 19 84.

WITNESS my hand and official seal.

My Commission Expires:

9/2/84

Notary Public

and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 1st day of August, 19 84.

CELSIUS ENERGY COMPANY

Vice President (Assignee's Signature)
Exploration

P. O. Box 11070
(Assignee's Address)

ATTEST:
Assistant Secretary

Salt Lake City, Utah 84147
(City) (State) (Zip Code)

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

INSTRUCTIONS

1. USE OF FORM – Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany the assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – Assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If bond is necessary, it *must* be furnished prior to approval of the assignment.

4. EFFECT OF ASSIGNMENT – Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does *not* change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.

5. A copy of the lease out of which this assignment is made should be obtained from the assignor.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

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

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106-3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

GPO 837-880

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me by J. L. HEALEY as ATTORNEY-IN-FACT of MOUNTAIN FUEL SUPPLY COMPANY this 1st day of August, 19 84.

WITNESS my hand and official seal.

My Commission Expires:

9/2/84

Notary Public

CERTIFIED
to be a true and comparative copy
of the official records on file

JUL 16 1998
BUREAU OF LAND MANAGEMENT

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW145809

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: Prima O&G Co
   Street: 1801 Broadway #500
   City, State, Zip Code: Denver, 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)* 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

268408

10:15A
RECORDED July 24 1998 M
IN BOOK 108 O&G PAGE 311
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, BIG PINEDALE, WYOMING
By Cat Saxton

Rental fee $ _____

Total acres applied for _____

Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 036ON R. 113OW 06th Meridian WY State Sublette County

sec. 003 LOTS 1-4;
003 S2N2,S2;

Total acres in lease 612.400

Rental retained $ 919.50

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)

X ☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis (Signing Officer)

Chief, Leasable Minerals Section (Title)

JUL 14 1998 (Date)

EFFECTIVE DATE OF LEASE AUG 01 1998

FOR LESSEE

(Continued on reverse)

311

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 20th day of July, 19 98

G. Walter Lunsford (Signature of 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 le[redacted]

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]

[redacted] [redacted] [redacted]

BK 05309

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 20th day of July, 1998, 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

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

NOTARY PUBLIC

Karen A. Armbrust

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

WYW145809

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]

WYW145809

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) May 1 to Jun 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 parturition 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.)

WYW145809

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.

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW145808

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: Prima O&G Co
Street: 1801 Broadway #500
City, State, Zip Code: Denver, 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)* 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

268403

RECORDED July 04 1998 M
IN BOOK 108 075 PAGE 317
FEES $ 15.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

10:15a

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

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 035ON R 112W 06th Meridian WY State Sublette County
sec. 006 LOTS 3-5;
006 SENW,NESW;
029 NW;

Total acres in lease 359.250
Rental retained $ 540.00

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)

X ☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis (Signing Officer)

Chief, Leasable Minerals Section (Title) JUL 14 1998

EFFECTIVE DATE OF LEASE AUG 01 1998 (Date)

(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 20th day of July, 19 98.

G. Walter Lunsford (Signature of [redacted] 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;
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as specified in regulations at the time this lease is issued.

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[redacted] [redacted] [redacted]

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MULTIPLE MINERAL DEVELOPMENT STIPULATION

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

On this 20th day of July, 1998, 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

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

NOTARY PUBLIC

Karen A. Armbrust

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

320

WY-1432-08

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.

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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]

8 0 9 6 1 4 6 0 8

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.

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW145806

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: Prima O&G Co
   Street: 1801 Broadway #500
   City, State, Zip Code: Denver, CO 80202

Future rental payments must be made on or before the anniversary date to:
Minerals Management Service
Royalty Management Program
P.O. Box 5840
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 _____

268410

RECORDED July 24 1998 10:15A
IN BOOK 108 OR PAGE 322
FEES $18.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat Boston

Amount remitted: Filing fee $ _____ Rental fee $ _____ Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 037ON R. 111OW 06th Meridian WY State Sublette County

sec. 032 E2;
033 N2,N2S2;
034 ALL;
035 ALL;

Total acres in lease 2080.000
Rental retained $ 3120.00

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 14 1998 (Date)

EFFECTIVE DATE OF LEASE AUG 01 1998

FOR LESSEE

(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 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 20th day of July, 19 98

G. Walter Lunsford (Signature of [redacted] 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 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 injury 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.

BOOK 1506

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 20th day of July, 1998, 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: NOTARY PUBLIC

August 31, 2000 Karen A. Armbrust

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

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

[redacted] [redacted] [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.

WYW145806

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 Stipulation Overlay #2, or as determined by a pre-disturbance raptor survey;

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]

[redacted] [redacted] [redacted]

WYW145806

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use within HUD designated Zone A (100 Year) flood hazard areas not protected by NSO 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 Flood Hazard Overlay;

For the purpose of:

(3) protecting riparian, water quality and floodplain 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.)

WYW145806

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.

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW145805

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 Prima O&G Co
   Street 1801 Broadway #500
   City, State, Zip Code Denver, 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)* 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

268411

RECORDED July 24 1998 10:15A M
IN BOOK 108 OR PAGE 329
FEES $ 15.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sutton

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

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T 037ON R 111OW 06th Meridian WY State Sublette County

sec. 024 ALL;
025 ALL;
026 E2,W2NW,SENW,SW;
027 ALL;

Total acres in lease 2520.000
Rental retained $ 3780.00

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)

X ☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by James F. Lewis (Signing Officer)

Chief, Leasable Minerals Section (Title) JUL 14 1998 (Date)

EFFECTIVE DATE OF LEASE AUG 01 1998

FOR LESSEE

(Continued on reverse)

329

330

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 20th day of July, 19 98

G. Walter Lunsford (Signature of ~~Lessee~~ 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. 170[illegible]). 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 require 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]

WY-01-0335

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 20th day of July, 1998, 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

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

NOTARY PUBLIC

Karen A. Armbrust

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

WYS145365

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]

WYW145805

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 Stipulation Overlay #2, or as determined by a pre-disturbance raptor survey;

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.)

WYW145805

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

(1) Surface occupancy or use within HUD designated Zone A (100 Year) flood hazard areas not protected by NSO 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 Flood Hazard Overlay;

For the purpose of:

(3) protecting riparian, water quality and floodplain 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.)

WY-81-J-335

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.

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

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)*
   Street
   City, State, ZIP Code

Backer Resources, Inc.
455 Granville Street, Suite 200
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 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
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.	0.9%	0.9%	-0-	-0-	of record

268414

RECORDED July 24 1998 M 10:30 A
IN BOOK 108 MISC PAGE 336
FEES $ 10.00 IN 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 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)

[redacted] [redacted] [redacted]

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 14th day of July, 19 98

Name of Transferor: NCA Minerals, Inc.
(Please type or print)

Transferor or Attorney-in-fact: Jay W. Santos, President
(Signature)

P.O. Box 871
(Transferor's Address)

Yerington (City) Nevada (State) 89447 (Zip Code)

Executed this 14th day of July, 19 98

Transferee: Backer Resources, Inc.
(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.

State of PROVINCE BRITISH COLUMBIA

County of VANCOUVER

GB This instrument was acknowledged before me this 14 day of JULY,
1998, by JAY. W. SANTOS as PRESIDENT of
NCA MINERALS, INC
CNB DOES NOT
My Commission expires _____.

Notary Public

[seal: ROBERT GRAZIER NOTARY PUBLIC]

State of _____

County of _____

This instrument was acknowledged before me this _____ day of _____,

1997, by _____ as _____ of

_____.

My Commission expires _____.

Notary Public

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.
W-67808

Lease Effective Date
(Anniversary Date)
June 1, 1979

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

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

*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
INSOFAR AS SAID LEASE COVERS: Township 27 North, Range 111 West, 6th PM: Section 6: N/2NE/4 Section 7: SE/4 Containing 240 acres, more or less Sublette County, Wyoming	1.5%	1.5%	-0-	-0-	of record

268415

RECORDED July 24 1984 10:50A M
IN BOOK 108 OR 6 PAGE 329
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cat 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 for attached land description

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

Assignment approved effective _____

By _____

339

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.

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 14th day of July, 19 98

Name of Assignor as shown on current lease: NCA Minerals, Inc. (Please type or print)

Assignor or Attorney-in-fact: Jay W. Santos, President (Signature)

P.O. Box 871 (Assignor's Address)

Yerington (City) Nevada (State) 89447 (Zip Code)

Executed this 14th day of July, 19 98

Assignee or Attorney-in-fact: Backer Resources, Inc. David Mercier, President (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.

* U.S. GPO: 1988-774-004/41006

[redacted] [redacted] [redacted]

PROVINCE
State of BRITISH COLUMBIA

County of VANCOUVER

This instrument was acknowledged before me this 14th day of JULY,
GB 8
1997, by JAY W. SANTOS as PRESIDENT of
NICA MINERALS, INC
GB DOES NOT
My Commission expires .

Notary Public

State of _____

County of _____

This instrument was acknowledged before me this _____ day of _____,

1997, by _____ as _____ of

_____.

My Commission expires _____.

Notary Public

IN THE MATTER OF U.S. OIL AND GAS LEASE BEARING SERIAL NUMBER Evanston 026053 COVERING THE HEREINAFTER DESCRIBED LANDS IN THE COUNTY OF SUBLETT STATE OF WYOMING. : ASSIGNMENT OF ROYALTY INTEREST

KNOW ALL MEN BY THE PRESENTS:

That, WHEREAS, under date of October 1, 1944, The United States of America issued unto W. Russell Hull, as Lessee, that certain U.S. Oil and Gas Lease bearing Serial No. Evanston 026053 formerly Evanston 021585, affecting certain lands in the County of Sublett, State of Wyoming, described as follows:

T. 29 N., R.113 W., 6th P.M. Wyoming
Section 35: NE Quarter.
Containing 160.00 acres, more or less

and

WHEREAS, John S. Bonnett and Charles L. Bonnett are the present owners and holders as Tenants in Common of a 1-1/2% overriding royalty interest in and to the oil, gas and other hydrocarbon substances, produced, saved and sold from the said lands, under and pursuant to said Oil and Gas Lease;

NOW, THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the said John S. Bonnett does hereby set over, transfer and assign unto John S. Bonnett, Trustee of the John S. Bonnett Trust dated the 10th day of April, 1985, or his successor in interest, subject to the approval of the Secretary of the Interior, an undivided 3/4% overriding royalty interest in and to the oil, gas and other hydrocarbon substances, produced, saved and sold from the aforesaid lands, under and pursuant to said Oil and Gas Lease.

This Assignment shall inure to and bind the parties hereto, their heirs, successors, administrators, executors and assigns.

IN WITNESS WHEREOF, this Assignment of Royalty Interest

268423

RECORDED July 24 1998 2:05 PM
IN BOOK 108 Misc PAGE 342
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

has been executed this 10 day of April, 1985.

John S. Bonnett

STATE OF UTAH)
) ss.
COUNTY OF UTAH)

On the 10th day of April, 1985, personally appeared before me, the undersigned Notary Public in and for said County and State, John S. Bonnett and _____, the signer(s) of the above instrument, who duly acknowledged to me that __he__ executed the same.

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

NOTARY PUBLIC

My Commission Expires: 2/2/88

Residing at: Provo, Utah



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-102717

Lease Effective Date
(Anniversary Date)
Dec. 1, 1986

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

Diamond Peak Energy Company, L.P.
P.O. Box 10350
Reno, NV 89510

*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
T-29-N, R-107-W. 6th P.M. Wyoming, Sublette County Sec. 30: Lots 1, 2, 3, 4, E½, E½W½; Sec. 31: Lots 1, 2, 3, 4, E½, E½W½. Total Area: 1,284.80 acres.	100%	100%	0	2%	0

268435

RECORDED July 27 1988 9:30AM
IN BOOK 108 of 6 PAGE 94
$8.00 Mary L Lilford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYO.
By Cathy Saxton

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 SEP 0 1 1989

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

By /s/ PAMELA J. LEWIS
(Authorized Officer)

SUPERVISORY LAND LAW EXAMINER
(Title)

SEP 2 0 1989
(Date)

FOR ASSIGNEE

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

STATE OF NEVADA
COUNTY OF WASHOE

This instrument was acknowledged before me on JUL 13 ; 1998 by EUGENE J. WAIT, JR.

RACHELLE M. ALEXANDER
NOTARY PUBLIC - STATE OF NEVADA
WASHOE COUNTY
97-1354-2 My Appt. Expires May 1 2001

Rachelle M. Alexander
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; 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 either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; (d) 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 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 (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of August, 19 89

Name of Assignor as shown on current lease Eugene J. Wait, Jr.
Please type or print

Assignor or Attorney-in-fact _____ (Signature)

P.O. Box 719
(Assignor's Address)

Reno, Nevada 89504
(City) (State) (Zip Code)

Executed this 1st day of August, 19 89

Assignee or Attorney-in-fact _____ (Signature)

Peter W. Hummel, General Partner
Diamond Peak Energy Company, L.P.
P.O. Box 10350
Reno, Nevada 89510

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.

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CORRECTIVE

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)

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

Lease Serial No.
WYW-102717

Lease Effective Date
(Anniversary Date)
December 1, 1986

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

   CHARLES W. GILLESPIE
   1176 Forest, Apt F
   Reno, NV 89509

*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 29 North, Range 107 West, 6th P.M. Section 30: Lots 1, 2, 3, 4, E½, E½W½ Section 31: Lots 1, 2, 3, 4, E½, E½W½ 1284.80 acres, more or less Sublette County, Wyoming	3.00 of 8/8ths	0.50 of 8/8ths	2.50 of 8/8ths		

268436

This Corrective Assignment of Overriding Royalty Interest supercedes and makes null and void that certain Assignment of Overriding Royalty between the parties hereto dated October 24, 1994 and filed with the Bureau of Land Management on October 26, 1994.

RECORDED July 27 1998 9:30a M
IN BOOK 108 046 PAGE 346
FEES $8.00 Mary L Lahl COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

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.

State of Nevada)
) ss.
County of Washoe)

The foregoing instrument was acknowledged before me this 12th day of September, 1996, by Peter W. Hummel as General Partner of Diamond Peak Energy Company, L.P.

Witness my hand and official seal.

Melissa M. Ayrault
Notary Public
Address:

MELISSA M. AYRAULT
NOTARY PUBLIC-STATE OF NEVADA
WASHOE COUNTY
My Appt. Expires July 16, 1998

STATE OF NEVADA
COUNTY OF WASHOE

I certify that this is a true and correct copy of a document in the possession of
Diamond Peak Energy Co., L.P.

Dated July 22, 1998

RACHELLE M. ALEXANDER
NOTARY PUBLIC - STATE OF NEVADA
WASHOE COUNTY
97-1354-2 My Appt. Expires May 1 .2001

Rachelle M. Alexander
NOTARY PUBLIC

with the Mineral Leasing Act of 1920, or 51,200 acres in any one State if this is a geothermal lease; (c) ... ; 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 12th day of September, 19 96
Effective October 24, 1994
Name of Assignor as shown on current lease DIAMOND PEAK ENERGY COMPANY, L.P.
Please type or print

Assignor
or Peter W. Hummel (Signature)
General Partner
(Signature)

P. O. Box 10350
(Assignor's Address)
Reno, NV 89510
(City) (State) (Zip Code)

Executed this 12th day of September, 19 96

Assignee
or Charles W. Gillespie (Signature)
(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 3000-3a
(January 1996)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW - 118155

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)*
Street
City, State, ZIP Code

ULTRA RESOURCES, INC.
304 INVERNESS WAY SOUTH, #295
ENGLEWOOD, CO 80112
7.5%

&

LANCE OIL & GAS COMPANY, INC.
12200 NORTH PECOS STREET
DENVER, CO 80234-3439
67.5%

*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	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
a	b	c	d	e	f
TOWNSHIP 29 NORTH, RANGE 108 WEST, 6th P.M. SECTION 21: S/2 SE/4. SECTION 23: S/2 SW/4, S/2 SE/4. SECTION 24: S/2 SW/4. containing 320.00 acres, more or less, Sublette County, Wyoming. **268474** Notwithstanding the interests shown above, Lance and Ultra shall share the revenue in the Stud Horse Federal #13-23 well, located in the SW/4 SW/4 of Section 23-T29N-R108W (Lance 90%; Ultra 10%), until payout of said well, in accordance with the provisions of that certain Farmout Agreement dated July 19, 1996, between CNG Producing Co. and Ultra Petroleum (USA), Inc.; and that certain Letter Agreement dated July 19, 1996, as amended, between Ultra Petroleum (USA), Inc. and Western Gas Resources, Inc.	75%	75%	-0-	-0-	those of record

RECORDED July 28 1998 11:50 AM
IN BOOK 108 OG PAGE 348
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sachter

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☐ Transfer approved effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

JSMART #3/WYW11815

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 §
COUNTY OF ADAMS §
The foregoing instrument was acknowledged before me this 20th day of May, 1998 by John C. Walter, Executive Vice President of Western Gas Resources, Inc., a Delaware corporation, on behalf of the corporation.
My commission expires:
September 16, 2000

Rosalyne J. Condos, Notary Public for the State of Colorado

STATE OF COLORADO §
COUNTY OF ADAMS §
The foregoing instrument was acknowledged before me this 20th day of May, 1998 by Ralph W. Ponfick, Attorney-in-Fact of LANCE OIL & GAS COMPANY, INC., a Delaware corporation, on behalf of the corporation.

JOHN A. SMART, JR.
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Aug. 31, 1999

John A. Smart, Jr.-Notary Public for the State of Colorado
3337 East Easter Place, Littleton, CO 80122

STATE OF COLORADO
COUNTY OF DENVER
The foregoing instrument was acknowledged before me this 20 day of May, 1998 by R.G. Jerry Albertus as President of ULTRA RESOURCES, INC., a Wyoming corporation, on behalf of the corporation.

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

Notary Public for the 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 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 20th day of May, 1998 but effective as of February 3, 1997.

Name of Transferor as shown on current lease: WESTERN GAS RESOURCES, INC.

Transferor By: WESTERN GAS RESOURCES, INC.
John C. Walter, Executive Vice President

ATTEST:
Vance S. Blalock, Assistant Secretary

12200 North Pecos Street

Denver, CO 80234-3439

Executed this 20th day of May, 1998.

ULTRA RESOURCES, INC.

Transferee: By:
Name: R.G. "Jerry" Albertus, President

ATTEST:
Assistant Corporate Secretary

LANCE OIL & GAS COMPANY, INC.

Transferee: By:
Ralph W. Ponfick, Attorney-in-Fact

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.

350

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

Lease Serial No.
WYW - 118155

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)* ULTRA RESOURCES, INC. & LANCE OIL & GAS COMPANY, INC.
   Street 304 INVERNESS WAY SOUTH, #295 12200 NORTH PECOS STREET
   City, State, ZIP Code ENGLEWOOD, CO 80112 DENVER, CO 80234-3439
   63.75% 11.25%

*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 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 29 NORTH, RANGE 108 WEST, 6th P.M. SECTION 21: N/2 SE/4. SECTION 23: N/2 SW/4, N/2 SE/4. SECTION 24: N/2 SW/4. containing 320.00 acres, more or less, Sublette County, Wyoming.	75%	75%	-0-	-0-	THOSE OF RECORD

268475

RECORDED July 28 1998 11:50AM
IN BOOK 108 O&G PAGE 350
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Scoten

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☐ Transfer approved effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

[redacted] [redacted] [redacted]

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 §
COUNTY OF ADAMS §
The foregoing instrument was acknowledged before me this 20th day of May, 1998 by John C. Walter, Executive Vice President of Western Gas Resources, Inc., a Delaware corporation, on behalf of the corporation.
My commission expires:
September 16, 2000.

Rosalyne I Condos
Rosalyne I Condos, Notary Public for the State of Colorado

STATE OF COLORADO §
COUNTY OF ADAMS §
The foregoing instrument was acknowledged before me this 20th day of May, 1998 by Ralph W. Ponfick, Attorney-in-Fact of LANCE OIL & GAS COMPANY, INC., a Delaware corporation, on behalf of the corporation.

JOHN A. SMART, JR.
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Aug. 31, 1999

John A. Smart, Jr.-Notary Public for the State of Colorado
3337 East Easter Place, Littleton, CO 80122

STATE OF COLORADO Douglas §
CITY AND COUNTY OF DENVER §
The foregoing instrument was acknowledged before me this 20 day of May, 1998 by R.G. Jerry Albertus as President of ULTRA RESOURCES, INC., a Wyoming corporation, on behalf of the corporation.
My Commission Expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

Notary Public for the 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 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 20th day of May, 1998 but effective as of February 3, 1997.

Name of Transferor as shown on current lease: WESTERN GAS RESOURCES, INC.

WESTERN GAS RESOURCES, INC.
Transferor By: _____
John C. Walter, Executive Vice President

ATTEST: _____
Vance S. Blalock, Assistant Secretary

12200 North Pecos Street,
Denver, CO 80234-3439

Executed this 20th day of May, 1998.

ULTRA RESOURCES, INC.
Transferee: By: _____
Name: R.G. "Jerry" Albertus, President

ATTEST: _____
Assist Corp Sec

LANCE OIL & GAS COMPANY, INC.
Transferee: By: _____
Ralph W. Ponfick, Attorney-in-Fact

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.

SUPPLEMENTAL ROYALTY ASSIGNMENT

FOR A VALUABLE CONSIDERATION, receipt of which is acknowledged, the undersigned Grantors, who have succeeded to the interest of Helen J. Hall, deceased, also known as Helen Hall, do hereby grant and assign in equal undivided shares to:

(a) Elizabeth A. Hall, the successor trustee to C. M. Hall, deceased, as Trustee of the Hall Family Trust dated May 7, 1993, whose address is 4301 Oriole Court, Casper, Wyoming 82604, and

(b) Karla J. Norman, as Trustee of the Norman Family Trust dated May 7, 1993, whose address is 514 Riverside Drive, New Braunfels, Texas 78130,

all of the interest of the Grantors and of the decedent in and to the following:

An overriding royalty interest of 1% of the oil and gas produced and saved under federal oil and gas lease E-023554, which lease covers the following lands in Sublette County, Wyoming:

Township 28 North, Range 113 West, 6th P.M.
Section 26: Lot 1, SE¼NW¼, E½SW¼, E½

The decedent's overriding royalty interest in the Mills Mesaverde Unit Area covering the following lands:

Township 28 North, Range 113 West, 6th P.M.
Section 15: SE¼SE¼
Section 22: Lot 2
Section 22L: Lot 1, NE¼, NW¼SE¼, E½SW¼, SE¼NW¼
Section 23: Lot 4, W½NW¼

Resurvey Tract #44 (formerly Section 22: SE¼SE¼ and
Section 23: E½SW¼, SW¼SW¼

The Grantors further assign to the same Grantees all of their interest and all of the interest of the decedent in and to the related oil and gas leases pertaining to the above interest.

TO HAVE AND TO HOLD to the Grantees, their successors and assigns, forever.

The spouse of Grantor Karla J. Norman joins in the execution of this deed for the purpose of conveying to the Grantees all of his interest in the lands and to relinquish, release and waive all rights he may have under Wyoming law because of his spousal status, including the right of homestead.

268576

RECORDED Aug 5 1998 M 9:40A
IN BOOK 108 OR 6 PAGE 352
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cat Looten

This deed is made for the purpose of expanding and correcting the legal description in Section 26 per original Royalty Assignment recorded in Book 62 of Misc. at Page 714.

DATED: February 10, 1998.

CARLA J. NORMAN

ELIZABETH A. HALL

JAMES M. NORMAN

STATE OF WYOMING)
:
County of Natrona)

On this 3rd day of March, 1998, before me, a Notary Public for the State of Wyoming, personally appeared ELIZABETH A. HALL, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same.

NANCY L. LICHTY NOTARY PUBLIC County Of Natrona State Of Wyoming My Commission Expires May 4, 2000

Notary Public for the State of Wyoming
Residing at Casper, Wyoming
My commission expires May 4, 2000

(SEAL)

STATE OF TEXAS)
:ss.
County of Comal)

On this 20th day of February, 1998, before me, a Notary Public for the State of Texas, personally appeared CARLA J. NORMAN and JAMES M. NORMAN, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

KATHY S. JENNINGS Notary Public, State of Texas My Commission Expires Aug. 9, 2000

Notary Public for the State of Texas
Residing at New Braunfels, Texas
My commission expires August 9, 2000

Form 3000-3a (October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-116279

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 31 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 22: SE; SECTION 26: ALL; SECTION 27: E2; SECTION 35: N2, SE; Containing 1600.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	2.5% of 8/8ths	4.0% of 8/8ths

268580
RECORDED Aug. 5 1998 11:05 A M
IN BOOK IDA CMA PAGE 354
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By 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 JAN 01 1998

By *Is/ PAMELA J. LEWIS* (Authorized Officer)

Chief, Leasable Minerals Sec (Title)

JUN 17 1998 (Date)

FOR ASSIGNEE

[redacted] [redacted] [redacted]

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ November 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.
Please type or print

Transferor or Attorney-in-fact: D. T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Transferee or Attorney-in-fact: Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company
Gilman A. Hill (Signature)
General Partner

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

Form 3000-3a
(October 1990)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131099

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 8: LOT 1, S2NE, SE; SECTION 9: LOTS 1-4, S2N2, S2; SECTION 10: S2N2, S2; SECTION 11: SWNW, SW, SWSE; SECTION 17: SENW, E2SW; TOWNSHIP 33 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 33: SWSW; SECTION 34: S2S2; Containing 1,859.52 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	0.5% of 8/8ths	6% of 8/8ths

268581

RECORDED Aug 5 1998 11:05A
IN BOOK 105 OR PAGE 350
FEES $8.00 COUNTY OF SUBLETTE
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

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 JAN 01 1998

By **/s/ Mavis Love** (Authorized Officer)

for Chief, Leasable Minerals Section (Title) JUN 10 1998 (Date)

FOR ASSIGNEE

[redacted] [redacted] [redacted]

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ November 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc. (Please type or print)

Transferor or Attorney-in-fact: D. T. Berlin (Signature)

1301 McKinney Street (Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Transferee: Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact: Gilman A. Hill (Signature) General Partner

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

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

Form 3000-3
(October 1992)

97 NOV 20 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.
WYW-131407
Lease Effective Date (Anniversary Date)
02-01-94
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
Street
City, State, ZIP Code

SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
ENGLEWOOD, COLORADO 80111

*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 112 WEST, 6TH P.M. SECTION 1: LOTS 1-4, S2N2, S2; SECTION 2: LOTS 1-4, S2N2, S2; SECTION 3: LOTS 1-4, S2N2, S2; CONTAINING 1,915.16 ACRES, MORE OR LESS, SITUATED IN SUBLETTE COUNTY, WYOMING	100%	100%	-0-	-0-	-0-

268582

RECORDED Dec. 5 1997 M 11:05a
IN BOOK 108 OPR PAGE 358
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

FOR ASSIGNEE

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 DEC 1 1997

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

MAR 31 1998
(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 HARRIS §

This instrument was acknowledged before me on ~~October~~ November 5th, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 5th day of NOVEMBER ,19 97 Executed this 11 day of November ,19 97

CHEVRON U.S.A. PRODUCTION COMPANY, A DIVISION OF CHEVRON U.S.A., INC.

Name of Assignor as shown on current lease _____ (Please type or print)

SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY

Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN

Assignee or ~~Attorney-in-fact~~ Stephen A. Hill (Signature)
General Partner

1301 MCKINNEY ST.
(Assignor's Address)

HOUSTON (City) TEXAS (State) 77010 (Zip Code)

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 3000-3a
(October 1992)

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131408

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 31 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 4: LOTS 1, 2, S2NE, SE; SECTION 9: E2; SECTION 10: ALL; SECTION 11: ALL; SECTION 12: ALL; Containing 2,558.70 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268583

RECORDED Aug 5 1998 M 11:05A
IN BOOK 108 OR3 PAGE 360
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By 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 JAN 01 1998

By /s/ Mavis Love (Authorized Officer)

for Chief, Leasable Minerals Section (Title) JUN 10 1998 (Date)

FOR ASSIGNEE

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Notary Public, State of Texas

SP822

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc. (Please type or print)

Transferor or Attorney-in-fact: D.T. Berlin (Signature)

1301 McKinney Street (Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Transferee or Attorney-in-fact: Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company — Gilmore A. Hill (Signature), General Partner

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

Form 3000-3a (October 1982) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131409

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)*** SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 31 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 13: ALL; SECTION 14: ALL; SECTION 15: E2; Containing 1600.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268584

RECORDED Aug. 5, 1998 11:05 A
IN BOOK 108 OF 6, PAGE 362
FEES $8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This 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 JAN 01 1998

By */s/ Mavis Love* (Authorized Officer) for Chief, Leasable Minerals Section (Title) JUN 10 1998 (Date)

FOR ASSIGNEE

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: **Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.**
Please type or print

Transferor or Attorney-in-fact: D. T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact: Gilman A. Hill (Signature)
General Partner

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

Form 3000-6a
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131410

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)*
Street
City, State, ZIP Code

SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
ENGLEWOOD, COLORADO 80111

*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 31 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 23: ALL; SECTION 24: N2, SW, N2SE, SWSE; Containing 1,240.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268585

RECORDED Aug 5 1998 11:25a M.
IN BOOK 108 OF G PAGE 344
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By 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 JAN 01 1998

By /s/ Mavis Love (Authorized Officer)
for Chief, Leasable Minerals Section (Title)
JUN 10 1998 (Date)

FOR ASSIGNEE

[redacted] [redacted] [redacted]

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10TH day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: **Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.** (Please type or print)

Transferor or Attorney-in-fact: D. T. Berlin (Signature)

1301 McKinney Street (Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact: Gilman A. Hill (Signature)
General Partner

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

Form 3000-3a
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131411

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 31 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 25: ALL; Containing 640.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268586

RECORDED Aug 5 1998 M 11:05A
IN BOOK IDB 056 PAGE 366
FEES $8.00 County Clerk
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sucher

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 JAN 01 1998

By */s/ Mavis Love* (Authorized Officer)

for Chief, Leasable Minerals Section (Title) JUN 10 1998 (Date)

FOR ASSIGNEE

[redacted] [redacted] [redacted]

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ November 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.
Please type or print

Transferor or Attorney-in-fact: D. T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Transferee: Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact: Gilman A. Hall (Signature)
General Partner

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

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Form 3000-3a
(October 1988)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131412

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)*
   Street
   City, State, ZIP Code

   SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   ENGLEWOOD, COLORADO 80111

*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 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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 10: LOT 4; SECTION 20: ALL; SECTION 21: ALL; Containing 1,302.25 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268587

RECORDED Aug. 5 1998 11:05 A
IN BOOK 108 Misc PAGE 368
FEES $ 8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Baxter

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 JAN 01 1998

By /s/ Mavis Love (Authorized Officer)

for Chief, Leasable Minerals Section (Title) JUN 10 1998 (Date)

FOR ASSIGNEE

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ November 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

See 2

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor **Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.**
Please type or print

Transferor or Attorney-in-fact D.T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact Gilman A. Hill
(Signature)
General Partner

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

Form 3000-9a
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131413

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 23: ALL; SECTION 24: ALL; SECTION 25: ALL; SECTION 26: ALL; Containing 2,560.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268588

11:05A
RECORDED Aug. 5 1998 M
IN BOOK 108016 PAGE 376
FEES $ 5.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

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 JAN 01 1998

By */s/* Mavis Love — JUN 10 1998
(Authorized Officer) (Title) (Date)

FOR ASSIGNEE

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.
Please type or print

Transferor or Attorney-in-fact: D. T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Transferee or Attorney-in-fact: Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company
Gilman A. Hill (Signature)
General Partner

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

Form 3000-3a
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131414

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 27: ALL; SECTION 28: ALL; SECTION 29: ALL; Containing 1,920.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268589

RECORDED Dec. 5 1998 11:05 M
IN BOOK 108 P6 PAGE 372
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

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 JAN 01 1998

By */s/ PAMELA J. LEWIS* (Authorized Officer)

Chief, Leasable Minerals Section (Title) JUN 17 1998 (Date)

FOR ASSIGNEE

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor **Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.**
Please type or print

Transferor or Attorney-in-fact D.T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact Gilman A. Hill (Signature)
General Partner

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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 / 87023

Form 3000-3a
(October 1992)

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-131415

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 32: ALL; SECTION 33: ALL; SECTION 34: ALL; SECTION 35: ALL; Containing 2,560.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268590

RECORDED Aug. 5 1998 11:05 M
IN BOOK 108 OG PAGE 374
FEES $8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sacton

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 JAN 01 1998

By /s/ PAMELA J. LEWIS (Authorized Officer) Chief, Leasable Minerals Section (Title) JUN 17 1998 (Date)

FOR ASSIGNEE

[redacted] [redacted] [redacted]

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

[redacted]

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor: **Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.** (Please type or print)

Transferor or Attorney-in-fact: D. T. Berlin (Signature)

1301 McKinney Street (Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Transferee: **Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company**

Transferee or Attorney-in-fact: Gilman A. Hill (Signature) General Partner

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(Form 3000-3a)
(October 1992)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A WYOMING LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-132412

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 17: E2, NENW, SWNW, W2SW; SECTION 19: E2; Containing 800.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268591

RECORDED Dec. 5 1998 11:05a M
IN BOOK 108 OR6 PAGE 376
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soxton

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 JAN 01 1998

By */s/ PAMELA J. LEWIS* (Authorized Officer)

Chief, Leasable Minerals Section (Title)

JUN 17 1998 (Date)

FOR ASSIGNEE

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ November 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Notary Public, State of Texas

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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 (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 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 10th day of November ,19 97 Executed this 24 day of November ,19 97

Name of Transferor **Chevron U.S.A. Production Company, a division of Chevron U.S.A., Inc.**
Please type or print

Transferor or Attorney-in-fact D. T. Berlin
(Signature)

1301 McKinney Street
(Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact Gilman A. Hill (Signature)
General Partner

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 / 87023

Form 3000-3a
(October 1992)

97 DEC 16 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

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

WYW-132413

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)* SHAMA ZOE LIMITED PARTNERSHIP, D/B/A ALPINE GAS COMPANY
   Street 6400 S. FIDDLER'S GREEN CIRCLE, PLAZA TOWER ONE, SUITE 1977
   City, State, ZIP Code ENGLEWOOD, COLORADO 80111

*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 32 NORTH, RANGE 112 WEST, 6TH P.M. SECTION 31: E2; Containing 320.00 acres, more or less, located in Sublette County, Wyoming. This assignment covers and is effective only as to those depths from the surface to the base of the Fort Union Formation, which is defined as 300 feet below the stratigraphic equivalent of the formation characteristics identified at the depth of 6,870 feet on the logs of the Chevron #33-16 Billy Well located in the NW4 SE4 of Section 16, Township 31N, Range 111 West, Sublette County, Wyoming.	100%	100%	-0-	6.5% of 8/8ths	-0-

268592

RECORDED Aug. 5 1998 11:05 AM
IN BOOK 108 OR6 PAGE 378
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
Roy Lee Scott

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 JAN 01 1998

By */s/ PAMELA J. LEWIS* (Authorized Officer)

Chief, Leasable Minerals Section (Title)

JUN 17 1998 (Date)

FOR ASSIGNEE

[redacted] [redacted] [redacted]

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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on ~~October~~ NOVEMBER 10, 1997, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Larry G. Stone
Notary Public, State of Texas

SP82

LARRY G. STONE
Notary Public, State of Texas
My Commission Expires
NOVEMBER 17 1999

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Transferor or Attorney-in-fact: D. T. Berlin (Signature)

1301 McKinney Street (Transferor's Address)

Houston, (City) Texas (State) 77010 (Zip Code)

Shama Zoe Limited Partnership, d/b/a/ Alpine Gas Company

Transferee or Attorney-in-fact: Gilman A. Hill (Signature)
General Partner

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380

LEASE NO.: 98-00212

PARCEL NO.: 273

FUND: C.S.

Form Approved by the Board

and Effective January 6, 1998

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:

North American Resources Co.

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, to wit:

460.00 SW¼NE¼;NW¼NW¼;S½NW¼;S½ Section 16, Twp. 30 N., Rg. 114 W., 6th P.M.

County: Sublette **Total Acres: 460.00** **Advance Rental $: 460.00**
($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.

Section 7. SOVEREIGN IMMUNITY. The State of Wyoming and the lessor do not waive sovereign immunity by entering into this lease, and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyoming Statute 1-39-104 (a)and all other state laws.

IN WITNESS WHEREOF, this lease has been executed by LESSOR and LESSEE to become effective on the 2nd day of May, 1998 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

LESSEE: _____
James J. Benner - Vice President

Address: 16 East Granite

City: Butte State: MT Zip: 59701

Telephone No. 406-496-5301 (Jeri Ann O'Neil)

268606
RECORDED Aug. 10 1998 M
IN BOOK 108 OR 5 PAGE 380
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton
9:35A

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 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 comering 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 comering 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 as 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 State Loan and Investments 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 Board and State Loan and Investment 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 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

ASSIGNMENT OF OIL AND GAS LEASES

THIS ASSIGNMENT is from ULTRA PETROLEUM (USA), INC., (hereinafter referred to as "Assignor"), to ULTRA RESOURCES, INC. (hereinafter referred to as "Assignee"), whose address is 304 Inverness Way South, Suite 295, Englewood, Colorado 80110.

FOR AND IN CONSIDERATION OF ONE DOLLAR ($1.00), and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Assignor, Assignor hereby sells, assigns, transfers and conveys to Assignee all of Assignor's right, title and interest in and to the oil & gas leases listed on the attached Exhibit "A", insofar as said leases cover lands in Sublette County, Wyoming, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used in connection therewith.

All of the provisions of this Assignment shall be available to and binding upon the parties hereto, their respective successors and assigns.

EXECUTED this 3rd day of August, 1998.

ULTRA PETROLEUM (USA), INC.

By: _____
R. G. "Jerry" Albertus, President

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 3rd day of August, 1998, by R. G. "Jerry" Albertus, President of Ultra Petroleum (USA), Inc. on behalf of said corporation by authority of its Board of Directors.

Witness my hand and seal the 3rd day of August, 1998.

_____
Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

268607

RECORDED August 6 1998 9:45 AM
IN BOOK 108 O.G. PAGE 382
FEES $ 40.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

EXHIBIT "A"

LEASE NO.	LESSOR	LESSEE	LEASE DATE	BOOK/PAGE	LEGAL DESCRIPTION
WY-1102	USA WYW 131390	CNG PRODUCING CO	02/01/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 32 NORTH, RANGE 110 WEST, 6TH PM SECTION 31: LOTS 1-4, E/2, E/2W/2 SECTION 32: N/2NE/4, SW/4SE/4, NW/4, N/2SW/4, SW/4SW/4
WY-1153	USA WYW 118158	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 31 NORTH, RANGE 108 WEST, 6TH PM SECTION 7: NE/4NE/4, S/2NE/4, SE/4 SECTION 8: S/2NW/4, SW/4, SW/4SE/4 SECTION 17: N/2, SE/4 SECTION 20: E/2 SECTION 21: ALL
WY-1154	USA WYW 131154	TRUJILLO, ANN M.	04/01/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 31 NORTH, RANGE 108 WEST, 6TH PM SECTION 4: S/2 SECTION 5: LOTS 10-12 SECTION 8: NE/4, NE/4NW/4, N/2SE/4 SECTION 9: ALL SECTION 10: W/2 SECTION 15: ALL
WY-1180	USA WYW 118159	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 31 NORTH, RANGE 108 WEST, 6TH PM SECTION 27: W/2NE/4, W/2, SE/4 SECTION 28: ALL SECTION 33: E/2E/2, SW/4NE/4, NW/4SE/4 SECTION 34: ALL SECTION 35: W/2W/2
WY-1181	USA WYW 118147	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 30 NORTH, RANGE 107 WEST, 6TH PM SECTION 7: NE/4, E/2SE/4 SECTION 8: SW/4NE/4

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EXHIBIT "A"

LEASE NO.	LESSOR	LESSEE	LEASE DATE	BOOK/PAGE	LEGAL DESCRIPTION
WY-1182	USA WYW 118157	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 30 NORTH, RANGE 108 WEST, 6TH PM SECTION 22: NW/4, W/2SW/4, SE/4SW/4, SE/4 SECTION 23: N/2NE/4, SE/4NE/4, S/2 SECTION 27: W/2W/2 SECTION 28: ALL SECTION 33: NE/4, N/2NW/4 SECTION 34: S/2NW/4, NE/4SW/4
WY-1183	USA WYW 118167	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 32 NORTH, RANGE 109 WEST, 6TH PM SECTION 30: LOTS 1 THRU 12, E/2 SECTION 31: LOTS 1 THRU 12, E/2
WY-1184	USA WYW 118166	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 31 NORTH, RANGE 109 WEST, 6TH PM SECTION 5: LOTS 3, 4, S/2NW/4, SW/4 SECTION 6: LOTS 1-14, S/2NE/4, SE/4 SECTION 8: ALL SECTION 17: ALL SECTION 28: E/2W/2, NW/4SW/4, SW/4SE/4
WY-1187	STATE OF WYOMING 94-00149	McMURRY OIL CO	04/02/94	96 / 428	SUBLETTE COUNTY, WYOMING TOWNSHIP 29 NORTH, RANGE 107 WEST, 6TH PM SECTION 36: ALL
WY-1188	USA WYW 134428	TEXACO EXPLORATION AND PRODUCTION, INC.	11/01/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 27 NORTH, RANGE 106 WEST, 6TH PM SECTION 18: NE/4NE/4
WY-1189	STATE OF WYOMING 94-00131	TRUJILLO, ANN M.	04/02/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 106 WEST, 6TH PM SECTION 36: ALL
WY-1190	STATE OF WYOMING 94-00116	TRUJILLO, ANN M.	04/02/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 105 WEST, 6TH PM SECTION 36: ALL

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EXHIBIT "A"

LEASE NO.	LESSOR	LESSEE	LEASE DATE	BOOK/PAGE	LEGAL DESCRIPTION
WY-1192	STATE OF WYOMING 94-00129	WLR, INC.	04/02/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 106 WEST, 6TH PM SECTION 16: ALL
WY-1193	USA WYW 134701	WELLS PETROLEUM INC.	09/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 105 WEST, 6TH PM SECTION 6: LOTS 1 THRU 5, SE/4SW/4, SW/4SE/4 SECTION 7: LOTS 1 THRU 4, W/2E/2, E/2W/2 TOWNSHIP 29 NORTH, RANGE 105 WEST, 6TH PM SECTION 31: LOTS 3, 4, E/2SW/4, SE/4
WY-1195	STATE OF WYOMING 94-00101	TRUJILLO, ANN M.	04/02/94	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 27 NORTH, RANGE 104 WEST, 6TH PM SECTION 16: ALL
WY-1213	USA WYW 108079	FOSSIL ASSOCIATES	03/01/88	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 107 WEST, 6TH PM SECTION 6: LOTS 1, 5, 6, 7, 8, 9, NE/4SE/4, S/2SE/4 SECTION 7: E/2 SECTION 8: ALL SECTION 21: ALL SECTION 28: ALL
WY-1214	USA WYW 133755	McLISH, HOLMES P.	03/01/95	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 107 WEST, 6TH PM SECTION 23: E/2W/2, W/2SE/4 SECTION 26: W/2NE/4
WY-1238	USA WYW 117438	WELLS PETROLEUM INC.	09/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 105 WEST, 6TH PM SECTION 18: LOTS 3(34.23), 4(34.27), E/2SW/4, SE/4 SECTION 19: LOTS 1(34.27), 2(34.26), 3(34.24) 4(34.23), E/2, E/2W/2

EXHIBIT "A"

LEASE NO.	LESSOR	LESSEE	LEASE DATE	BOOK/PAGE	LEGAL DESCRIPTION
WY-1258	USA WYW 104180	FOSSIL ASSOCIATES	06/01/87	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 28 NORTH, RANGE 107 WEST, 6TH PM SECTION 3: LOTS 2, 3, S/2 SECTION 10: ALL SECTION 11: ALL SECTION 13: ALL SECTION 14: E/2 SECTION 23: NE/4 SECTION 24: N/2, SW/4, N/2SE/4, SW/4SE/44
WY-1318	USA WYW 118156	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 30 NORTH, RANGE 108 WEST, 6TH PM SECTION 17: SW/4, N/2SE/4, SW/4SE/4 SECTION 18: LOTS 1, 2, 3, 4, W/2NE/4, SE/4NE/4, E/2W/2, SE/4 SECTION 20: ALL SECTION 21: ALL
WY-1341	USA WYW 144997	ONAGER ENTERPRISES	12/01/89	UNRECORDED	SUBLETTE COUNTY, WYOMING TOWNSHIP 31 NORTH, RANGE 108 WEST, 6TH PM SECTION 35: W/2NE/4, E/2W/2, SE/4

386

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

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)* Sovereign Investments 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:

a Land Description	Percent of Interest: b Owned	c Conveyed	d Retained	Percent of Overriding Royalty or Similar Interests: e Reserved	f Previously reserved or conveyed
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.	0.9%	0.9%	-0-	-0-	of record

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.

268610

RECORDED August 6 1998 10:30 AM
IN BOOK 108 Oil PAGE 382
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorton

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☐ Transfer approved effective _____

By _____ _____ _____
(Authorized Officer) (Title) (Date)

PART A (Continued): ADDITIONAL SPACE for 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 17th day of JULY, 19 98

Name of Transferor H.O.W. RESOURCES INC.
(Please type or print)

Transferor Alice Sung
(Signature)
or
Attorney-in-fact ALICE M.Y. SUNG, CORP. SECRETARY
(Signature)

4835 LOUGHEED HIGHWAY
(Transferor's Address)

BURNABY (City) BRITISH COLUMBIA (State) V5C 4A7 (Zip Code)

Executed this 27th day of JUNE, 19 98

SOVEREIGN INVESTMENTS INC.

Transferee D Mercier
(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]

~~State of~~ PROVINCE OF BRITISH COLUMBIA

~~County of~~ City of Burnaby

This instrument was acknowledged before me this 17th *day of* JULY,

1998
~~1997~~, *by* ALICE M.Y. SUNG *as* CORPORATE SECRETARY & DIRECTOR *of*

H.O.W. RESOURCES INC.

My Commission does not *expires*.

Notary Public

SANDRA J. HUGHES
A Notary Public in and for
the Province of British Columbia
4259 East Hastings Street
Burnaby, British Columbia
V5C 2J5 299-6251

State of _____

County of _____

This instrument was acknowledged before me this _____ *day of* _____,

1997, by _____ *as* _____ *of*

_____.

My Commission expires _____.

_____
Notary Public

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.
W-67808

Lease Effective Date
(Anniversary Date)
June 1, 1979

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Sovereign Investments Inc.
   Street 455 Granville Street, Suite 200
   City, State, ZIP Code Vancouver, British Columbia, Canada V6C-1T1

*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
INSOFAR AS SAID LEASE COVERS: Township 27 North, Range 111 West, 6th PM: Section 6: N/2NE/4 Section 7: SE/4 Containing 240 acres, more or less Sublette County, Wyoming	1.5%	1.5%	-0-	-0-	of record

268611

RECORDED August 10, 1998 10:30AM
IN BOOK 108 Bk6 PAGE 390
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorcten

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 for land description indicated on reverse of this form.

Assignment approved effective _____

By _____

[redacted] [redacted] [redacted]

(If Applicable): 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 17th day of JULY, 19 98

Name of Transferor H.O.W. RESOURCES INC.
(Please type or print)

Transferor [signature]
(Signature)

or Attorney-in-fact ALICE M.Y. SUNG, CORP. SECRETARY
(Signature)

4835 LOUGHEED HIGHWAY
(Transferor's Address)

BURNABY (City) BRITISH COLUMBIA (State) V5C 4A7 (Zip Code)

Executed this 27th day of JULY, 19 98

SOVEREIGN INVESTMENTS INC.

Transferee [signature]
(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.

~~State of~~ PROVINCE OF BRITISH COLUMBIA

~~County of~~ City of Burnaby

This instrument was acknowledged before me this 17th *day of* JULY,

1998
~~1997~~, *by* ALICE M.Y. SUNG *as* CORPORATE SECRETARY & DIRECTOR *of*

H.O.W. RESOURCES INC.

My Commission does not *expires*.

Notary Public

SANDRA J. HUGHES
A Notary Public in and for
the Province of British Columbia
4258 East Hastings Street
Burnaby, British Columbia
V5C 2J5 299-6251

State of _____

County of _____

This instrument was acknowledged before me this _____ *day of* _____,

1997, by _____ *as* _____ *of*

_____.

*My Commission expires*_____.

Notary Public

Form 3100-11
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No.

OFFER TO LEASE AND LEASE FOR OIL AND GAS

0-202

WYW127194

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 Liberty Petroleum Corporation
   Street 853 Broadway, Suite 1020
   City, State, Zip Code New York, NY 10003

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-9206-279 *Sale Date (m/d/y): 6 / 2 / 92
   ***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**

T.	R.	Meridian	State	County

268613

RECORDED Aug. 6, 1992 11:10 AM
IN BOOK 108 OPR 393.
FEES $ 16.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

Amount remitted: Filing fee $ 75.00 Rental fee $ 361.50 Total acres applied for 240.08
Total $ 436.50

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T.	R.	Meridian	State	County

SEE ATTACHED

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:

☑ Noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____
(Signing Officer)

SUPERVISORY LAND LAW EXAMINER (Title) JUN 30 1992 (Date)

EFFECTIVE DATE OF LEASE JUL 1 1992

(Continued on reverse)

FOR LESSEE

393

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 3rd day of June, 19 92

LIBERTY Petroleum Corporation

By

Gregor Klorfeld, 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 1988–573-017/86009

[redacted] [redacted] [redacted]

WYW127194 240.080 Acres
T.029ON, R.108OW, 06th PM, WY
sec. 003 LOTS 1-4;
014 S2SW;
Sublette County

WYW127194

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.

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.

PAJ

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.

Form 3000-3
(March 1991)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1992

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-127194

Lease Effective Date
(Anniversary Date)
July 1, 1992

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Ultra Petroleum (USA) Inc.
   Street 609 West Hastings Street, 11th floor
   City, State, ZIP Code Vancouver, BC V6B 4W4, Canada

*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
State of Wyoming, Sublette County T 29 N, R 108 W Sec. 3: Lots 1-4 Sec. 14: S2SW Containing 240.08 acres. Subject to attached reassignment rider. **268614** RECORDED Aug. 6, 1998 11:10 AM IN BOOK 108 Oil & Gas PAGE 399 FEES $10.00 Mary L. Lloyd COUNTY CLERK SUBLETTE COUNTY, PINEDALE WYOMING By Cathy Lacton	100%	100%	None	5.50% of 8/8	None

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)

399

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 Colorado)
) SS
COUNTY OF Douglas)

BE IT KNOWN, that on this 18th day of November, 1996 before me, the undersigned authority, personally came and appeared **R. G. "Jerry" Albertus Director of Ultra Petroleum (USA), Inc.**, to me personally known to the the identical person whose name is subscribed to the foregoing instrument as the said Director of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
2/27/97

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 11th day of November, 19 96

Name of Assignor as shown on current lease: Liberty Petroleum Corporation
Please type or print

Assignor or Attorney-in-fact: (Signature)
Gregor Klurfeld, President
(Signature)

185 Candlewood Path
(Assignor's Address)

Dix Hills NY 11746
(City) (State) (Zip Code)

Executed this 18th day of November, 19 96

Ultra Petroleum (USA) Inc.

Assignee or Attorney-in-fact: R.G. Jerry Albertus, Director (Signature)
(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 [illegible] jurisdiction.

*U.S. Government Printing Office: 1991 — 579-016/20062

[redacted] [redacted] [redacted]

REASSIGNMENT RIDER
OF LEASE SERIAL NO. WYW-127194

The assignment to which this reassignment rider is attached and made a part hereof is expressly subject to the following terms, conditions and limitations.

In the event that Assignee desires to terminate its interest in said lease, either in whole or in part, Assignee, at any time and from time to time, but not less than sixty (60) days prior to the accrual of any United States Government rental obligation that may be due under said lease, shall give Assignor written notice of the Assignee's intention to terminate its interest in said lease. Assignor shall, within thirty (30) days after receipt of said notice from Assignee, give written notice to Assignee of whether or not Assignor elects to have said lease reassigned to Assignor. In the event that Assignor fails to give any notice to Assignee, Assignee shall have the absolute right to surrender its interest in said lease to the United States Government. This assignment and reassignment rider shall be binding on all successors and assigns of the parties hereto.

In the event that Assignor gives timely written notice to Assignee of its election to have said lease reassigned to it, Assignee shall promptly reassign said lease to Assignor, unencumbered by Assignee.

Until further notice, all notices required to be given to Assignor shall be sent to Liberty Petroleum Corporation, Att: Charles E. Brockner, Jr., 185 Candlewood Path, Dix Hills, NY 11746.

Further, it is agreed that the Assignee will establish, or cause to be established, commercial production on said lease, or in a well where no less than 80 acres of the lease is included in the spacing unit for the well, on or before July 1, 2000, or Assignee will promptly reassign the sublease to Assignor, in its entirety, unencumbered by Assignee.

The overriding royalty, as stated on the attached assignment, shall be paid at the same time as the royalty on the lease is paid and shall be free to Assignor from all costs incurred in drilling, producing, separating, transmitting, transporting, drying, storing, stripping, compressing, treating, sweetening and marketing the production attributable to the reserved interest except only that it shall bear its proportionate share of all taxes levied or assessed upon production of oil, gas and related hydrocarbons.

Signed for identification
LIBERTY PETROLEUM CORPORATION

By _____
Gregor Klurfeld, President

PETROLEUM CORPORATE SEAL 1931 DELAWARE LIBERTY

STATE OF NEW YORK :
: SS.:
COUNTY OF NEW YORK:

On the 11th day of November, 1996, 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 attached instrument was signed by 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 11th day of November, 1996.

LINDA R. BLUMKIN
Notary Public, State of New York
No. 31-4686678
Qualified in New York County
Commission Expires August 31, 1997

_____
Notary Public

[illegible]

ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE

STATE OF COLORADO)
)ss. KNOW ALL MEN BY THESE PRESENTS:
CITY AND COUNTY OF DENVER)

THAT **McCULLISS RESOURCES CO., INC.**, a Colorado corporation, hereinafter collectively referred to as "Assignor", whose address is P.O. Box 3248, Littleton, Colorado 80161-3248, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby, grant, bargain, sell, convey, assign, transfer, set over and deliver unto **CROWN OIL & GAS COMPANY, INC.**, hereinafter referred to "Assignee", whose address is 152 Calpet Road, P.O. Box 519, Big Piney, Wyoming 83313, all of Assignor's right, title and interest in the **SPLIT RIVER FEE #24-35 WELL**, located on and including all of Assignor's leasehold interest in and to the oil, gas and mineral leases, if any, covering Section 35, Township 28 North, Range 112 West, Sublette County, Wyoming, together with all of Assignor's right, title and interest in all personal property and equipment used or obtained in connection with the subject Well and Oil and Gas Leases conveyed hereunder.

Assignee, in consideration of the mutual benefits to be derived hereunder by its acceptance hereof, understands and agrees to the following terms and conditions:

1. This Assignment shall be effective as of the 1st day of June, 1998, at 7:00 a.m., local time, regardless of the date of execution.

2. Assignee agrees to defend, indemnify and hold Assignor, its heirs, and assigns, harmless from any and all liabilities arising from Assignee's failure or alleged failure, to properly plug and abandon the Split River Fee #24-35 Well or any wells caused to be drilled by Assignee located on the lands assigned hereunder.

3. Assignor represents that it has not encumbered the interest assigned hereunder, however, Assignor makes no warranty, either express or implied, as to the interest conveyed hereby. Further, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES EVERY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, EVERY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND EVERY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS AS TO ALL PERSONAL PROPERTY, EQUIPMENT, FIXTURES, FACILITIES, MATERIALS AND IMPROVEMENTS ASSOCIATED WITH AND/OR CONNECTED TO THE SPLIT RIVER FEE #24-35 WELL. The same are conveyed to Assignee "AS IS, WHERE IS, and WITH ALL FAULTS."

4. All property and severance taxes for the calendar year 1998 shall be borne proportionately between Assignor and Assignee; all taxes associated with the property prior to the effective date shall be borne by Assignor.

5. The terms and provisions hereof shall be deemed to be covenants running with the leasehold estate hereinabove referred to and as such shall extend to, bind and inure to the benefit of the parties hereto, their respective heirs, successors and assigns.

TO HAVE AND TO HOLD, the same unto the said Assignee forever. The provisions hereof shall be covenants running with the land and shall inure to the benefit of and be binding upon Assignor and Assignee, their respective personal representatives, successors and assigns. This Assignment is WITHOUT WARRANTY OF TITLE, EITHER EXPRESS OR IMPLIED.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the date of the acknowlegements annexed hereto, but to be effective for all purposes from and after the 1st day of June, 1998.

268621

RECORDED August 14 1998 M 4:05p
IN BOOK 108 OR PAGE 402
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

[redacted] [redacted] [redacted]

ATTEST:

Asst. Secr.

ASSIGNOR:

MCCULLISS RESOURCES CO., INC.

By: _____
Paul L. McCulliss, President
P.O. Box 3248
Littleton, Colorado 80161-3248

ASSIGNEE:

ATTEST:

_____

CROWN OIL & GAS COMPANY, INC.

By: _____
~~David Nehmer~~, President
David Neher

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

Before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared **PAUL L. McCULLISS** on May 28, 1998, to me personally known, who being by me duly sworn, did say that he is the President of **McCULLISS RESOURCES CO., INC.**, and that said Assignment of Oil and Gas Leases and Bill of Sale was signed on behalf of said corporation by authority of its Board of Directors and the said **PAUL L. McCULLISS** acknowledged said Assignment of Oil and Gas Leases and Bill of Sale to be the free act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 28th day of May, 1998.

My Commission Expires:

My Commission Expires 6/5/2001

Julie A. Stoppel
Notary Public

Julie A. Stoppel
Printed Name

STATE OF ~~WYOMING~~ California)
)ss.
COUNTY OF Fresno)

Before me, the undersigned, a Notary Public in and for the county and state aforesaid, personally appeared David Neher on June 23, 1998, to me personally known, who being by me duly sworn, did say that he is the President of **CROWN OIL & GAS COMPANY, INC.**, and that said Assignment of Oil and Gas Leases and Bill of Sale was signed on behalf of said corporation by authority of its Board of Directors and the said _____ _____ acknowledged said Assignment of Oil and Gas Leases and Bill of Sale to be the free act and deed of said corporation for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 23 day of June, 1998.

My Commission Expires:

August 17, 1999

SHERRI E. RICHARDSON
Comm. # 1069208
NOTARY PUBLIC - CALIFORNIA
Fresno County
My Comm. Expires Aug. 17, 1999

Notary Public

Sherri E. Richardson
Printed Name

ASSIGNMENT AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

That, the undersigned DAVID AND MICHELE NEHER D/B/A DAVID W. NEHER CONSULTING SERVICE with offices at P.O. Box 4460, Marbleton, Wyoming 83113, hereinafter referred to as "ASSIGNOR", for and in consideration of stock in Crown Oil & Gas Company, Inc., the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer sell and convey unto CROWN OIL AND GAS COMPANY, INC., with offices at P.O. Box 4430, Marbleton, Wyoming 83113, hereinafter referred to as "ASSIGNEE", its heirs, successors and assigns, all of Assignor's right, title, and interest in and to the oil and gas leases as set out in Exhibit "A" attached hereto and made a part hereof, together with all personal property, fixtures and improvements on, appurtenant to, or used or obtained by Assignor in connection with the land or wells or with the production, treatment, sale or disposal of hydrocarbons or water produced therefrom or attributable thereto, including without limitation well equipment, casing, tubing, tanks, crude oil, condensate or products placed into storage or into pipelines, gathering systems, power lines, roads, and field processing plants, all other appurtenances thereunto belonging, all in "as is-where is" condition.

All equipment and other personal property and fixtures included in said lands and well are being transferred on an as is and where is basis and Assignor makes no representations or warranties, either express or implied, as to particular use or uses of any such equipment or other personal property or fixtures, all of such representations or warranties being hereby expressly excluded and denied.

To have and to hold the same unto Assignees, Assignee's successors and assigns forever, subject to the terms and provisions contained in the lease, contracts, and assignments relating thereto, and to all laws, rules and regulations of all governmental bodies or agencies having jurisdiction thereof, all of which Assignee hereby assumes insofar as same are applicable to the interest hereby assigned, and further subject to the terms and provisions of all assignments, contracts and provisions through which assignor acquired its title to said oil and gas leases, or to which said oil and gas lease and interest are subject.

In addition to the foregoing and notwithstanding anything to the contrary which may be contained herein, assignee waives its right to recover from assignor and hereby assumes and agrees to forever release, discharge, fully defend, protect, indemnify and hold harmless assignor, its employees and agents from and against each and every claim, demand, penalty, fine, lien, judgment, action, cause of action, or lawsuit, and any liability, cost, expense, damage or loss, including court costs and attorneys' fees, that may be asserted by any third party, including assignee's employees and agents, and government agencies, whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with the past, present or future physical environmental condition of the lands or any federal, state, tribal, or local law or regulation applicable to ("LAWS"). Said laws shall include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9601, ET SEC), The Clean Water Act (14 U.S.C. 1401-1450), the Hazardous Materials Transportation Act (49 U.S.C. 1801, ET SEQ), and The Toxic Substances Control Act (15 U.S.C. 2601-2629).

BY ACCEPTANCE HEREOF, Assignee hereby covenants and agrees that Assignee has fully inspected or caused to be fully inspected the above described Lands and personal property appurtenant thereto and used in connection with Said Lands and takes the above described premises and personal property thereon in as is

268665

RECORDED Aug. 10 1998 M 2:20p
IN BOOK 108 O&G PAGE 404
FEES $ 11.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Lawton

and where is condition and hereby covenants and agrees to hold Assignor harmless from any liability whatsoever which might arise due to operations on the above-described premises conducted by Assignee, his heirs or assigns in the future.

Assignee further agrees to accept all liability for properly plugging and abandoning said well in compliance with the statutes and regulations of the State of Wyoming, or with any other governmental or regulatory entity having jurisdiction over said well, and to obtain all necessary permits and bonds., Assignee specifically agrees to fully defend, protect, indemnify, and hold harmless, assignor, its employees and agents, from and against each and every claim, demand, penalty, fine lien, judgment, action, cause of action, or lawsuit, and any liability, cost, expense, damage or loss, including court costs and attorneys' fees, that may be asserted by any third party, including assignee's employees and agents, or the State of Wyoming, whether direct or indirect, known or unknown, foreseen or unforeseen arising from assignee's failure to plug or the improper plugging of any well conveyed hereby, and any abandonment operations including, where applicable, restoration of the surface of the lands including, but not limited to, clean-up of any oilfield or other waste located on the lands as nearly as practicable to its release condition.

It shall be the responsibility of Assignee to pay or cause to be paid any payment obligations including, but not limited to rentals, royalties, overriding royalties, minimum royalties, and production payments. In the event Assignor is currently making any of the above payments for another working interest owner, it shall be the obligation of Assignee to either continue to make such payments or to make alternate arrangements. Such responsibility for any payments shall become effective as of the thirteenth day of January, 1997. At the written request of Assignee, Assignor will continue to make any payment obligations up to sixty days beyond closing date. Assignee shall reimburse Assignor within 30 days of receipt of invoice for its proportionate share of any such payments. All advalorem taxes, real property taxes, personal property taxes, severance taxes, production taxes and similar obligations due and payable after the Effective Date shall be the sole responsibility of the Assignee.

Executed this 25 day of FEBRUARY, 1998, but shall be effective as of January 13, 1997.

ASSIGNOR:

MICHELLE NEHER a/k/a MICHELE NEHER d/b/a DAVID W. NEHER CONSULTING SERVICE

DAVID W. NEHER d/b/a DAVID W. NEHER CONSULTING SERVICE

ASSIGNEE:

CROWN OIL & GAS COMPANY, INC.

BY: _____
DAVID W. NEHER, President

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

BEFORE ME, the undersigned, a Notary Public in and for the County and State aforesaid, on this 25 day of Feb., 1998, personally appeared David W. Neher, as President of Crown Oil & Gas Company, Inc. and acknowledges to me that he executes the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

Notary Public

My Commission Expires: 2/7/2002

WILLIAM H. TWICHELL - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Subscribed and sworn to before me this 25 day of February, 1998 by David W. Neher and Michele Neher.

WITNESS my hand and official seal.

Notary Public

My commission expires: 2/7/2002

WILLIAM H. TWICHELL - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale dated February 25, 1997 **by and between** Crown Oil & Gas Company, Inc. **and David and Michelle Neher** d/b/a David W. Neher Consulting Service **covering lands in Sublette County, Wyoming.**

LESSOR	LESSEE	LEASE DATE	LEGAL DESCRIPTION
USA W-57811	Fred Goodstein	10-1-77	* T27N-R110W, 6th P.M. Tract I — Sec. 24: N/2 NW/4; N/2 NE/4; and SE/4 NE/4 Tract I — Sec. 24: S/2 NW/4; SW/4 NE/4 Sec. 25: NE/4 NW/4 Tract II — Sec. 25: SE/4 NW/4

Assignment of Operating Rights Only

588 407

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale dated February 25, 1997 **by and between** Crown Oil & Gas Company, Inc. d/b/a David W. Neher Consulting Service **and David and Michelle Neher covering lands in Sublette County, Wyoming.**

LESSOR	LESSEE	LEASE DATE	LEGAL DESCRIPTION
USA W-49630	Barbara E. Hannifin	4-1-75	T27N-R110W, 6th P.M. Sec. 24: W/2 SW/4 - Shallow Rights Sec. 25: NW/4 NW/4 - Shallow Rights SW/4 NW/4 - Shallow Rights
USA W-0320797	Margaret E. Allen	12-1-65	* T27N-R110W, 6th P.M. Sec. 23: E/2 SE/4 Sec. 26: NE/4 NE/4

From the surface of the ground to a depth of 14,892 feet or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, Sublette County, Wyoming.

Below 14,892 feet, or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, containing 120 acres, more or less, in Sublette County, Wyoming.

* T27N-R110W, 6th P.M.
Sec. 23: SW/4; W/2 SE/4
Sec. 26: W/2; W/2 E/2; SE/4 NE/4;
NE/4 SE/4

From the surface of the ground to a depth of 14,892 feet or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, Sublette County, Wyoming.

Below 14,892 feet, or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, containing 800 acres, more or less, in Sublette County, Wyoming.

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale dated February 25, 1997 **by and between** Crown Oil & Gas Company, Inc. **and David and Michelle Neher** d/b/a David W. Neher Consulting Service **covering lands in Sublette County, Wyoming.**

LESSOR	LESSEE	LEASE DATE	LEGAL DESCRIPTION
USA W-48192	James W. Haefele	12-1-74	* All of Assignor's interest in Lease Serial No. W-48192 insofar only as same covers the SE/4 NE/4 of Section 23 and the W/2 SE/4 of Section 24, Township 27 North, Range 110 West, Sublette County, Wyoming, from the surface thereof down to, but not below, the stratigraphic equivalent of 14,892 feet beneath the surface as penetrated by the Jefferson Unit #20-24 Well located in the SW/4 Sec. 24-T27N-R110W, Sublette County, Wyoming. This assignment is made subject to the conditions and reservations set forth herein and to those in that certain Farmout Letter Agreement dated June 1, 1982, between Getty Oil Company (as Farmor) and Primary Fuels, Inc. (as Farmee), as amended by Letter Agreement between the same parties dated June 21, 1982, and as amended by Letter Agreement between the same parties dated December 20, 1982. * All of Assignor's interest in Lease Serial No. W-48192 insofar only as same covers the NE/4 NE/4 of Section 23 and the E/2 SE/4 of Section 24, and the N/2 NE/4 Sec. 25, Township 27 North, Range 110 West, Sublette County, Wyoming, from the surface thereof down to, but not below, the stratigraphic equivalent of 14,892 feet beneath the surface as penetrated by the Jefferson Unit #20-24 Well located in the SW/4 Sec. 24-T27N-R110W. Sublette County, Wyoming. This assignment is made subject to the conditions and reservations set forth herein and to those in that certain Farmout Letter Agreement dated June 1, 1982, between Getty Oil Company (as Farmor) and Primary Fuels, Inc. (as Farmee), as amended by Letter Agreement between the same parties dated June 21, 1982, and as amended by Letter Agreement between the same parties dated December 20, 1982.

4/09

410

Form 3100-11
(June 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OFFER TO LEASE AND LEASE FOR OIL AND GAS 4011

Serial No. WYW118157

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 ONAGER ENTERPRISES
   Street Contract Station 6, P.O. Box 117, 1525 Sherman Street
   City, State, Zip Code Denver, Colorado 80203

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-8910-709 *Sale Date (m/d/y): 10 / 03 / 89
   *SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.
   T. 30 North R. 108 West Meridian 6th P.M. State Wyoming County Sublette

   Section 22: NW¼, W½SW¼, SE¼SW¼, SE¼
   Section 23: N½NE¼, SE¼NE¼, S½
   Section 27: W½W½
   Section 28: All
   Section 33: NE¼, N½NW¼
   Section 34: S½NW¼, NE¼SW¼

   Amount remitted: Filing fee $ 75.00 Rental fee $ 3060.00 Total acres applied for 2040.000
   Total $ 3135.00

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

SEE ATTACHED

268699

RECORDED August 12 19 98 10:30 AM
IN BOOK 108 O&G PAGE 410
FEES $ 14.00 Myra L Lybyl COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Easton

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:

☒ Noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Theresa M. Stevens
ACTING (Signing Officer)
SUPERVISORY LAND LAW EXAMINER (Title)
NOV 09 1989 (Date)

EFFECTIVE DATE OF LEASE DEC 01 1989

FOR LESSEE

(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 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 4th day of October, 19 89.

ONAGER ENTERPRISES

John F. Kelly

(Signature of Lessee or Attorney-in-fact)

John F. Kelly, Attorney-in-Fact for Onager Enterprises

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 - 201-944 - 415/84760

ULTRA PETROLEUM USA INC.
304 INVERNESS WAY S., STE. 295
ENGLEWOOD, CO 80112

WYW118157 2040.000 Acres
T.0300N, R.1080W, 06th PM, WY
sec. 022 NW,W2SW,SESW,SE;
023 N2NE,SENE,S2;
027 W2W2;
028 ALL;
033 NE,N2NW;
034 S2NW,NESW;
Sublette County

WYW118157

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.

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.

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-118157

Lease Effective Date
(Anniversary Date)
~~11-06-89~~ 12-01-89

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

Pinedale
L010567

1. Assignee* CNG PRODUCING COMPANY 100%
   Street 1450 Poydras Street
   City, State, ZIP Code New Orleans, LA 70112

*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 Sec 22 NW. W/2SW, SESW, SE 23 N/2NE, SENE, S/2 27 W/2W/2 28 All 33 NE, N/2NW 34 S/2NW, NESW 2,040.00 acres Sublette County, Wyoming	100%	100%	0	0	0

268700

RECORDED August 12 1998 10:30 AM
IN BOOK 108 Of 6 PAGE 415
FEES $ 10.00 M L Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Seaton

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 AUG 1 1990

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

By /s/ BEVERLY J. POTEET — SUPERVISORY LAND LAW EXAMINER — SEP 13 1990

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.

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 either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; (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 (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 16th day of June, 19 90

Name of Assignor as shown on current lease ONAGER ENTERPRISES
Please type or print

Assignor
or
Attorney-in-fact John F. Kelly (Signature)
Contract Staff (Signature) P.O. Box 117
1525 Sherman St.
(Assignor's Address)
Denver CO 80203
(City) (State) (Zip Code)

Executed this 18 day of June, 1990

CNG PRODUCING COMPANY

Assignee
or
Attorney-in-fact Gordon L. Wogan (Signature)
Agent & Attorney-in-fact

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]

AFFIDAVIT

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

ROBIN BENKO, being first duly sworn, deposes and say:

That I am of lawful age and reside in Denver County, State of Colorado. That I am Land Manager of Ultra Resources Inc., 304 Inverness Way South, Suite 295, Englewood, Colorado 80112.

That the attached Assignment of Record Title dated June 16, 1990 from Onager Enterprises to CNG Producing Company and conveying an interest in Federal Lease WYW-118157, is an originally signed copy.

Further affiant sayeth not.

ROBIN BENKO

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on the 3rd day of August, 1998, before me the undersigned authority, personally came and appeared ROBIN BENKO, appearing in her capacity as Land Manager of Ultra Resources Inc. to me personally known to be the identical person whose name is subscribed to the foregoing instrument as the said Land Manager of said corporation, and declared and acknowledged to me, Notary, that she executed the same of behalf of said corporation for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC

Notary Public

My Commission Expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

ULTRA PETROLEUM USA INC.
304 INVERNESS WAY S., STE. 295
ENGLEWOOD, CO 80112

418

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

BUREAU OF LAND MANAGEMENT
98 JAN -2 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-118157

Lease Effective Date
(Anniversary Date)
~~11/1/89~~ 12/1/89

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* ULTRA RESOURCES, INC.
Street 304 INVERNESS WAY SOUTH, SUITE 295
City, State, ZIP Code ENGLEWOOD, CO 80112

*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 Section 22: NW¼, W½SW¼, SE¼SW¼, SE¼ Section 23: N½NE¼, SE¼NE¼, S½ Section 27: W½W½ Section 28: ALL Section 33: NE¼, N½NW¼ Section 34: S½NW¼, NE¼SW¼ 2,040.00 acres, more or less Sublette County, Wyoming	100%	100%	-0-	-0-	-0-

268701

RECORDED August 12 1998 10:30 AM
IN BOOK 108 016 PAGE 418
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Cathy Sexton

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 FEB 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

MAR 10 1998
(Date)

WY-1182

FOR ASSIGNEE

[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 COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 31 day of December, 1997, before me, the undersigned authority, personally came and appeared **R.G. Albertus as President of Ultra Resources, Inc.,** to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Donna K. Long
Notary Public

DONNA K. LONG NOTARY PUBLIC STATE OF COLORADO

My commission expires:

My Commission Expires 01-02-2002

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; © 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 November, 1997

Name of Assignor as shown on current lease ULTRA PETROLEUM (USA), INC.
Please type or print

Assignor BY: Charlotte Kauffman
(Signature)
or Charlotte Kauffman, General Counsel
Attorney-in-fact
(Signature)

1112 Bonnie Bree
(Assignor's Address)

Casper, Wyoming 82601
(City) (State) Zip Code)

Executed this 31 day of December, 1997

ULTRA RESOURCES, INC.

Assignee BY: R. G. Albertus
(Signature)
or R. G. Albertus, President
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, 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.

☆ U.S. GPO: 1996-774-084/41005

ULTRA PETROLEUM USA INC.
304 INVERNESS WAY S., STE. 295
ENGLEWOOD, CO 80112

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 - 1 025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S. C. 65 08)

Lease Serial No.
SEE EXHIBIT "A"

Lease Effective Date
(Anniversary Date)

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Ultra Resources Inc.
Street 304 Inverness Way South, Suite 295
City, State, ZIP Code Englewood, CO. 80112

*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
SEE EXHIBIT "A" ATTACHED TO AND MADE A PART HEREOF	**	100%	NONE	NONE	Of Record

** IT IS THE INTENT OF THIS ASSIGNMENT TO CONVEY ALL RIGHT, TITLE AND INTEREST OWNED BY ASSIGNOR

268702

RECORDED August 12, 1998 10:30 A.M.
IN BOOK 108 of 6 PAGE 420
FEES $ 10.00 Mary L. Lyford
CAMPBELL COUNTY, WYOMING
By Cathy Zacher

FOR BLM USE ONLY-DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

his 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 COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 3 day of August, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.,** to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

1. The Assignor certifies as owner of an interest in the show 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 lea (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 .31 00 or 3200) mid 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. Assignees 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 31ST day of July 1998

Name of Assignor as shown on current lease Ultra Petroleum (USA) Inc
(Please type or print)

Assignor By: [signature]
(Signature)

or
Attorney-in-fact By: Arthur L. Angeli
(Signature)

304 Inverness Way South, Suite 295
(Assignor's Address)

Englewood (City) CO. (State) 80112 (Zip Code)

Executed this 3rd day of August, 1998

ULTRA RESOURCES, INC.

Assignee [signature]
(Signature)

or
Attorney-in-fact R.G. "Jerry" Albertus, President
(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 soy other aspect of this form to US. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (DW-110), Denver Federal Center, Building 40, P. 0. 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.

* U.S. GPO: 1996-774-004/41005

EXHIBIT 'A'
ATTACHED TO AND MADE A PART HEREOF THAT CERTAIN ASSIGNMENT OF RECORD TITLE BY AND BETWEEN ULTRA PETROLEUM (USA) INC AND ULTRA RESOURCES INC

Ultra Lse #	Federal Serial #
WY-1088	WYW-113414
WY-1091	WYW-114041
WY-1092	WYW-114052
WY-1093	WYW-114060
WY-1094	WYW-114854
WY-1095	WYW-121685
WY-1348	WYW-125141
WY-1098	WYW-129704
WY-1099	WYW-130233
WY-1346	WYW-130463
WY-1345	WYW-130464
WY-1100	WYW-130840
WY-1102	WYW-131390
WY-1105	WYW-131922
WY-1106	WYW-133085
WY-1107	WYW-133086
WY-1108	WYW-133087
WY-1109	WYW-133088
WY-1110	WYW-133089
WY-1111	WYW-133092
WY-1113	WYW-135132
WY-1114	WYW-135141
WY-1115	WYW-135466
WY-1116	WYW-136825
WY-1117	WYW-136831
WY-1118	WYW-142680
WY-1101	WYW-143374

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY-1104
FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

Lease Serial No.

WYW-131912

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Ultra Resources Inc
Street 304 Inverness Way South, Suite 295
City, State, ZIP Code Englewood, CO. 80112

*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 interest 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 31 North, Range 110 West, 6th PM Section 2: S/2 Containing 32.0.00 acres M/L Sublette County, WY	100%	100%	None	None	Of Record

268703

RECORDED August 12, 1998 1030AM
IN BOOK 108 Misc PAGE 423
FEES $ 8.00 Mary L Lyford COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYO
By Cathy Sachen

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

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 3 day of August, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.**, to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 31st day of July, 19 98

Name of Transferor: Ultra Petroleum (USA) Inc
Please type or print

Transferor _____
(Signature)

or
Attorney-in-fact: Arthur L. Angeli (Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

Englewood, CO. 80112
(City) (State) (Zip Code)

Executed this 3 day of August, 19 98

Ultra Resources Inc.

Transferee _____
(Signature)

or
~~Attorney-in-fact~~ _____
(Signature)

R.G. "Jerry" Albertus, Pres.

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, (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 (1004-0034), 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

ULTRA PETROLEUM USA INC.
304 INVERNESS WAY S., STE. 295
ENGLEWOOD, CO 80112

[redacted] [redacted] [redacted]

PREPARED BY AND
WHEN RECORDED RETURN TO:
VINSON & ELKINS L.L.P.
First City Tower, Suite 3562
1001 Fannin Street
Houston, TX 77002-6760
Telephone No. (713) 758-4513
Attn: Linda Daugherty

MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT AND FINANCING STATEMENT

FROM

HOWELL PETROLEUM CORPORATION

TO

ROBERT L. ROBERTS, AS TRUSTEE

FOR THE BENEFIT OF

BANK OF MONTREAL, AS AGENT

AND

THE LENDERS AS HEREAFTER DEFINED

268708

RECORDED August 12 1998 2:25 PM
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By Cathy Sweton

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2nd Amend BK 119 O+G pg. 190 8/13/01
Rel. BK 110 O+G pg. 318 2/4/99

425

A CARBON, PHOTOGRAPHIC, OR OTHER REPRODUCTION OF THIS INSTRUMENT IS SUFFICIENT AS A FINANCING STATEMENT.

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.

THIS INSTRUMENT SECURES PAYMENT OF FUTURE ADVANCES.

THIS INSTRUMENT COVERS PROCEEDS OF MORTGAGED PROPERTY.

THIS INSTRUMENT COVERS MINERALS AND OTHER SUBSTANCES OF VALUE WHICH MAY BE EXTRACTED FROM THE EARTH (INCLUDING WITHOUT LIMITATION OIL AND GAS) AND WHICH WILL BE FINANCED AT THE WELLHEADS OF THE WELL OR WELLS LOCATED ON THE PROPERTIES DESCRIBED IN EXHIBIT A HERETO. THIS FINANCING STATEMENT IS TO BE FILED OR FILED FOR RECORD, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF THE COUNTY RECORDERS OF THE COUNTIES LISTED ON EXHIBIT A HERETO AND WITH A CLERK OF COURT (OR, AS TO ORLEANS PARISH, THE RECORDER OF MORTGAGES) IN ANY PARISH IN THE STATE OF LOUISIANA. THE MORTGAGOR HAS AN INTEREST OF RECORD IN THE REAL ESTATE CONCERNED, WHICH INTEREST IS DESCRIBED IN EXHIBIT A ATTACHED HERETO.

PORTIONS OF THE MORTGAGED PROPERTY ARE GOODS WHICH ARE OR ARE TO BECOME AFFIXED TO OR FIXTURES ON THE LAND DESCRIBED IN OR REFERRED TO IN EXHIBIT A HERETO. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD OR RECORDED, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF EACH COUNTY IN WHICH SAID LAND OR ANY PORTION THEREOF IS LOCATED AND WITH A CLERK OF COURT (OR, AS TO ORLEANS PARISH, THE RECORDER OF MORTGAGES) IN ANY PARISH IN THE STATE OF LOUISIANA. THE MORTGAGOR IS THE OWNER OF RECORD INTEREST IN THE REAL ESTATE CONCERNED. THIS INSTRUMENT IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS.

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Exhibit A - Mortgaged Property

MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT AND FINANCING STATEMENT (this "Mortgage") is entered into as of the effective time and date hereinafter stated (the "Effective Date") by HOWELL PETROLEUM CORPORATION, a Delaware corporation with principal offices at 1500 Howell Building, 1111 Fannin, Houston, Texas 77002-6923 ("Mortgagor"), ROBERT L. ROBERTS, as Trustee, whose address for notice is 700 Louisiana, Suite 4400, Houston, Texas 77002 ("Trustee") for the benefit of BANK OF MONTREAL, AS AGENT, whose address for notice is 700 Louisiana, Suite 4400, Houston, Texas 77002 (together with any successor agents, "Agent") for the Lenders (hereinafter defined), and for the benefit of the Lenders ("Mortgagee").

RECITALS:

A. Mortgagor, Mortgagee and the lenders signatory to the Credit Agreement (as hereinafter defined) (together with any lenders that become a party under the terms of the Credit Agreement collectively, the "Lenders") have executed a Credit Agreement dated as of December 17, 1997, as amended by First Amendment to Credit Agreement dated as of June 1, 1998 (such agreement, as amended and as the same may from time to time be further amended or supplemented, called the "Credit Agreement") pursuant to which the Lenders have made or agreed to make certain advances to and on behalf of the Mortgagor.

B. The Lenders have conditioned their obligations under the Credit Agreement upon the execution and delivery by Mortgagor of this Mortgage, and Mortgagor has agreed to enter into this Mortgage.

C. Therefore, in order to comply with the terms and conditions of the Credit Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor hereby agrees as follows:

ARTICLE I

Grant of Lien and Indebtedness Secured

Section 1.01 Grant of Liens. To secure payment of the Indebtedness (as hereinafter defined) and the performance of the covenants and obligations of Mortgagor, Mortgagor does by these presents hereby (i) GRANT, BARGAIN, SELL, ASSIGN, SET OVER, TRANSFER and CONVEY unto Robert L. Roberts, Trustee and the Trustee's successors and substitutes in trust hereunder with power of sale, for the use and benefit of Mortgagee and the Lenders, all of the following described real and personal property, rights, titles, interests and estates which are located in (or cover properties located in) the State of Wyoming (the "Deed of Trust Mortgaged Property") and (ii) GRANT, MORTGAGE, PLEDGE AND HYPOTHECATE AND GRANT A POWER OF

[redacted] [redacted] [redacted]

SALE to Mortgagee, for its benefit and the benefit of the Lenders, with respect to, all of the following described real and personal property, rights, titles, interests and estates which were not granted to Trustee in clause (i) above (the "Other Mortgaged Property") (the Deed of Trust Property and the Other Mortgaged Property herein collectively called the "Mortgaged Property"):

(a) All rights, titles, interests and estates now owned or hereafter acquired by Mortgagor in and to the oil and gas leases and/or oil, gas and other mineral leases, operating rights, and other interests and estates and the lands and premises covered or affected thereby which are described on Exhibit A hereto (collectively, the "Hydrocarbon Property"), and specifically, but without limitation, the undivided interests of Mortgagor which are more particularly described on attached Exhibit A, even though the interest of Mortgagor in such Hydrocarbon Property may be incorrectly described in Exhibit A hereto.

(b) All rights, titles, interests and estates now owned or hereafter acquired by Mortgagor in and to (i) the properties now or hereafter pooled or unitized with the Hydrocarbon Property; (ii) all presently existing or future unitization, communitization, pooling agreements and declarations of pooled units and the units created thereby (including, without limitation, all units created under orders, regulations, rules or other official acts of any Federal, State or other governmental body or agency having jurisdiction and any units created solely among working interest owners pursuant to operating agreements or otherwise) which may affect all or any portion of the Hydrocarbon Property; (iii) all operating agreements, production sales or other contracts, farmout agreements, farm-in agreements, area of mutual interest agreements, equipment leases and other agreements which relate to any of the Hydrocarbon Property or interests in the Hydrocarbon Property described or referred to herein or on attached Exhibit A or to the production, sale, purchase, exchange, processing, handling, storage, transporting or marketing of the Hydrocarbons (as hereinafter defined) from or attributable to such Hydrocarbon Property or interests; (iv) all geological, geophysical, engineering, accounting, title, legal, and other technical or business data concerning the Mortgaged Property, the Hydrocarbons, or any other item of Property which are in the possession of Mortgagor or in which Mortgagor can otherwise grant a security interest, and all books, files, records, magnetic media, computer records, and other forms of recording or obtaining access to such data; and (v) the Hydrocarbon Property described on attached Exhibit A and covered by this Mortgage even though Mortgagor's interests therein be incorrectly described or a description of a part or all of such Hydrocarbon Property or Mortgagor's interests therein be omitted; it being intended by Mortgagor and Mortgagee herein to cover and affect hereby all interests which Mortgagor may now own or may hereafter acquire in and to the Hydrocarbon Property notwithstanding that the interests as specified on Exhibit A may be limited to particular lands, specified depths or particular types of property interests.

(c) All rights, titles, interests and estates now owned or hereafter acquired by Mortgagor in and to all oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined therefrom and all other minerals (collectively, the "Hydrocarbons") in and under and which may be produced and saved from or attributable to the Hydrocarbon Property, the lands pooled or unitized therewith and Mortgagor's interests therein, including all oil in tanks and all rents, issues, profits, proceeds, products, revenues and other income

from or attributable to the Hydrocarbon Property, the lands pooled or unitized therewith and Mortgagor's interests therein which are subjected or required to be subjected to the Liens and security interests of this Mortgage.

(d) All tenements, hereditaments, appurtenances and properties in anywise appertaining, belonging, affixed or incidental to the Hydrocarbon Property, rights, titles, interests and estates described or referred to in paragraphs (a) and (b) above, which are now owned or which may hereafter be acquired by Mortgagor, including, without limitation, any and all property, real or personal (other than intellectual property not described therein), now owned or hereafter acquired and situated upon, used, held for use, or useful in connection with the operating, working or development of any of such Hydrocarbon Property or the lands pooled or unitized therewith (excluding drilling rigs, trucks, automotive equipment or other personal property which may be taken to the premises for the purpose of drilling a well or for other similar temporary uses) and including any and all oil wells, gas wells, injection wells or other wells, buildings, structures, platforms, risers, templates, pipelines, field separators, liquid extraction plants, plant compressors, pumps, pumping units, pipelines, sales and flow lines, gathering systems, field gathering systems, salt water disposal facilities, tanks and tank batteries, yard inventory, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements, servitudes, licenses and other surface and subsurface rights together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing properties.

(e) Any property that may from time to time hereafter, by delivery or by writing of any kind, be subjected to the Lien and security interest hereof by Mortgagor or by anyone on Mortgagor's behalf; and the Trustee is hereby authorized to receive the same at any time as additional security hereunder.

(f) All of the rights, titles and interests of every nature whatsoever now owned or hereafter acquired by Mortgagor in and to the Hydrocarbon Property rights, titles, interests and estates and every part and parcel thereof, including, without limitation, the Hydrocarbon Property rights, titles, interests and estates as the same may be enlarged by the discharge of any payments out of production or by the removal of any charges or Permitted Encumbrances (as hereinafter defined in Section 3.01) to which any of the Hydrocarbon Property rights, titles, interests or estates are subject, or otherwise; all rights of Mortgagor to Liens and security interests securing payment of proceeds from the sale of production from the Mortgaged Property, including, but not limited to, those Liens and security interests provided in § 9.319 of the Applicable UCC (as defined in Section 1.02) or similar statute of any states in which the Mortgaged Property is located; together with any and all renewals and extensions of any of the Hydrocarbon Property rights, titles, interests or estates; all contracts and agreements supplemental to or amendatory of or in substitution for the contracts and agreements described or mentioned above; and any and all additional interests of any kind hereafter acquired by Mortgagor in and to the Hydrocarbon Property rights, titles, interests or estates.

(g) All accounts, contract rights, inventory, general intangibles, insurance contracts and insurance proceeds constituting a part of, relating to or arising out of those portions of the Mortgaged

Property which are described in paragraphs (a) through (f) above and all proceeds and products of all such portions of the Mortgaged Property and payments in lieu of production (such as "take or pay" payments), whether such proceeds or payments are goods, money, documents, instruments, chattel paper, securities, accounts, general intangibles, fixtures, real property, or other assets.

Any fractions or percentages specified on attached Exhibit A in referring to Mortgagor's interests are solely for purposes of the warranties made by Mortgagor pursuant to Sections 3.01 and 3.05 hereof and shall in no manner limit the quantum of interest affected by this Section 1.01 with respect to any Hydrocarbon Property or with respect to any unit or well identified on said Exhibit A.

TO HAVE AND TO HOLD (i) the Deed of Trust Mortgaged Property unto the Trustee and to his successors and assigns forever and (ii) the Other Mortgaged Property unto Mortgagee, and Mortgagee's successors and assigns to secure the payment of the Indebtedness (hereinafter defined) and to secure the performance of the covenants, agreements, and obligations of Mortgagor contained herein, subject only to Permitted Encumbrances as hereinafter defined.

Section 1.02 Grant of Security Interest. To further secure the Indebtedness, Mortgagor hereby grants to Mortgagee, for its benefit and the benefit of the Lenders, a security interest in and to the Mortgaged Property (whether now or hereafter acquired by operation of law or otherwise) insofar as the Mortgaged Property consists of equipment, accounts, contract rights, general intangibles, insurance contracts, insurance proceeds, inventory, Hydrocarbons, fixtures and any and all other personal or movable property of any kind or character defined in and subject to the Uniform Commercial Code presently in effect in the jurisdiction in which the Mortgaged Property is situated ("Applicable UCC"), including all replacements and substitutions for the Mortgaged Property and all accessions thereto and the proceeds and products from any and all of such personal property (the "Collateral"). Upon the occurrence and continuation of any Event of Default, Mortgagee is and shall be entitled to all of the rights, powers and remedies afforded a secured party by the Applicable UCC with reference to the personal property and fixtures in which Mortgagee has been granted a security interest herein, or the Trustee or Mortgagee may proceed as to both the real and personal property covered hereby in accordance with the rights and remedies granted under this Mortgage in respect of the real property covered hereby. Such rights, powers and remedies shall be cumulative and in addition to those granted to the Trustee or Mortgagee under any other provision of this Mortgage or under any other Security Instrument. Written notice mailed to Mortgagor as provided herein at least ten (10) days prior to the date of public sale of any part of the Mortgaged Property which is personal property subject to the provisions of the Applicable UCC, or prior to the date after which private sale of any such part of the Mortgaged Property will be made, shall constitute reasonable notice.

Section 1.03 Indebtedness Secured. This Mortgage is executed and delivered by Mortgagor to secure and enforce the following (the "Indebtedness"):

(a) (i) Payment of and performance of any and all indebtedness, obligations and liabilities of Mortgagor pursuant to the Credit Agreement, whether now existing or hereafter arising, including without limitation, the promissory notes which are or may be executed by Mortgagor payable to the order of the Lenders and being in the aggregate principal amount of $160,000,000 with final maturity

on or before the Quarterly Date falling on December 15, 2002, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part; (ii) all reimbursement obligations under any Letters of Credit issued under the Credit Agreement; and (iii) payment of and performance of all Indebtedness, obligations and liabilities of Mortgagor under the other Loan Documents.

(b) Any sums which may be advanced or paid by Mortgagee and/or the Lenders under the terms hereof or of the Credit Agreement on account of the failure of Mortgagor to comply with the covenants contained herein or in the Credit Agreement; and all other indebtedness of Mortgagor arising pursuant to the provisions of this Mortgage.

(c) Payment of and performance of any and all present or future obligations of Mortgagor according to the terms of any present or future interest rate or currency swap, rate cap, rate floor, rate collar, forward rate agreement or other exchange or rate protection agreements or any option with respect to any such transaction now existing or hereafter entered into between Mortgagor and any Lender or an Affiliate of such Lender.

(d) Payment of and performance of any and all present or future obligations of Mortgagor according to the terms of any present or future swap agreements, cap, floor, collar, forward agreement or other exchange or protection agreements relating to crude oil, natural gas or other hydrocarbons or any option with respect to any such transaction now existing or hereafter entered into between Mortgagor and any Lender or an Affiliate of such Lender.

(e) Payment of and performance of any and all other indebtedness, obligations and liabilities of any kind of Mortgagor to the Mortgagee and/or the Lenders, now or hereafter existing, arising directly between Mortgagor, the Mortgagee and/or the Lenders or acquired outright, as a participation, conditionally or as collateral security from another by the Lenders, absolute or contingent, joint and/or several, secured or unsecured, due or not due, arising by operation of law or otherwise, or direct or indirect, including indebtedness, obligations and liabilities to the Lenders of Mortgagor as a member of any partnership, syndicate, association or other group, and whether incurred by Mortgagor as principal, surety, endorser, guarantor, accommodation party or otherwise.

(f) For the purposes of Indebtedness secured by the Mortgaged Property located in Montana, all of the Indebtedness to be secured (exclusive of interest and other obligations not required to be stated as part of the principal Indebtedness to be secured) shall not exceed at any one time the total principal Indebtedness of $200,000,000.

(g) Indebtedness shall not exceed at any one time the sum of $200,000,000 which shall constitute the maximum amount at any time secured hereby.

Section 1.04 Fixture Filing, Etc. Without in any manner limiting the generality of any of the other provisions of this Mortgage: (i) some portions of the goods described or to which reference is made herein are or are to become fixtures on the land described or to which reference is made herein or on attached Exhibit A; (ii) the security interests created hereby under applicable provisions

of the Applicable UCC will attach to Hydrocarbons (minerals including oil and gas) or the accounts resulting from the sale thereof at the wellhead located on the land described or to which reference is made herein; (iii) this Mortgage is to be filed or filed of record in the real estate records as a financing statement and (iv) Mortgagor is the record owner of the real estate or interests in the real estate comprised of the Mortgaged Property. This instrument may be filed for record in, among other places, the office of the Louisiana State Mineral Board (or any successor agency), the office of the Minerals Management Service (or any successor agency) and in each Louisiana parish (a) where any part of the Mortgaged Property is located or (b) which lies shoreward of any Mortgaged Property (i.e., to the extent a particular Mortgaged Property is situated offshore in an area lying within the projected seaward extensions of the relevant parish boundaries).

Section 1.05 Pro Rata Benefit. This Mortgage is executed and granted for the pro rata benefit and security of the Mortgagee, and the Lenders, and any and all future holders of an interest in the Indebtedness and the interest thereon for whatever period; it being understood and agreed that possession of any Note (or any replacements of said Note) at any time by Mortgagor shall not in any manner extinguish the Indebtedness, such Note or this Mortgage securing payment thereof, and Mortgagor shall have the right to issue and reissue any of the Notes from time to time as its interest or as convenience may require, without in any manner extinguishing or affecting the Indebtedness, the obligations under any of the Notes, or the security of this Mortgage.

ARTICLE II

Assignment of Production

Section 2.01 Assignment. Mortgagor has absolutely and unconditionally assigned, transferred, and conveyed, and does hereby absolutely and unconditionally assign, transfer and convey unto Mortgagee, for its benefit and the benefit of the Lenders and their successors and assigns, all of the Hydrocarbons and all products obtained or processed therefrom, and the revenues and proceeds now and hereafter attributable to the Hydrocarbons and said products and all payments in lieu of the Hydrocarbons such as "take or pay" payments or settlements. The Hydrocarbons and products are to be delivered into pipe lines connected with the Mortgaged Property, or to the purchaser thereof, to the credit of Mortgagee, free and clear of all taxes, charges, costs, and expenses; and all such revenues and proceeds shall be paid directly to Mortgagee, for its benefit and the benefit of the Lenders, with no duty or obligation of any party paying the same to inquire into the rights of Mortgagee, for its benefit and the benefit of the Lenders, to receive the same, what application is made thereof, or as to any other matter. Mortgagor agrees to perform all such acts, and to execute all such further assignments, transfers and division orders, and other instruments as may be required or desired by Mortgagee or any party in order to have said proceeds and revenues so paid to Mortgagee. Mortgagee is fully authorized to receive and receipt for said revenues and proceeds; to endorse and cash any and all checks and drafts payable to the order of Mortgagor received from or in connection with said revenues or proceeds and to hold the proceeds thereof in a bank account as additional collateral securing the Indebtedness; and to execute transfer and division orders in the name of Mortgagor, or otherwise, with warranties binding Mortgagor. All proceeds received by the Mortgagee pursuant to this assignment shall be applied as provided in the Credit Agreement. The

Mortgagee shall not be liable for any delay, neglect, or failure to effect collection of any proceeds or to take any other action in connection therewith or hereunder; but the Mortgagee shall have the right, at its election, in the name of Mortgagor or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by Mortgagee in order to collect such funds and to protect the interests of Mortgagee, the Lenders and/or Mortgagor, with all costs, expenses and attorneys' fees incurred in connection therewith being paid by Mortgagor. Mortgagor hereby appoints Mortgagee as its attorney-in-fact to pursue any and all rights of Mortgagor to Liens on and security interests in the Hydrocarbons securing payment of proceeds of runs attributable to the Hydrocarbons. In addition to the rights granted to Trustee and/or Mortgagee in Section 1.01 (f) of this Mortgage, Mortgagor hereby further transfers and assigns to Mortgagee, for its benefit and the benefit of the Lenders, any and all such Liens, security interests, financing statements or similar interests of Mortgagor attributable to its interest in the Hydrocarbons and proceeds of runs therefrom arising under or created by said statutory provision, judicial decision or otherwise. The power of attorney granted to Mortgagee in this Section 2.01, being coupled with an interest, shall be irrevocable so long as the Indebtedness or any part thereof remains unpaid.

Section 2.02 No Modification of Payment Indebtedness. Nothing herein contained shall modify or otherwise alter the obligation of Mortgagor to make prompt payment of all principal and interest owing on the Indebtedness when and as the same become due regardless of whether the proceeds of the Hydrocarbons are sufficient to pay the same; and the rights provided in accordance with the foregoing assignment provision shall be cumulative of all other security of any and every character now or hereafter existing to secure payment of the Indebtedness.

Section 2.03 Payments to Mortgagor. Until such time as written demand has been made upon them by the Trustee or Mortgagee that payment of the proceeds of runs be made directly to the Trustee or Mortgagee, the purchasers or other persons obligated to make such payment shall continue to make payment to Mortgagor. Failure to notify shall not in any way waive the right of the Trustee or Mortgagee to receive any payments not theretofore paid over to Mortgagor before the giving of written notice. In this regard, in the event payments are made directly to the Trustee, and then, at the request of the Trustee or Mortgagee payments are, for a period or periods of time, paid to Mortgagor, the Trustee shall nevertheless have the right, effective upon written notice, to require that future payments be again made to it.

ARTICLE III

Representations, Warranties and Covenants

Mortgagor hereby represents, warrants and covenants as follows:

Section 3.01 Title. To the extent of the undivided interests specified on attached Exhibit A, Mortgagor has good and defensible title to and is possessed of the Mortgaged Property. The Mortgaged Property is free of any and all liens except liens allowed by Section 9.02 of the Credit Agreement (collectively, the "Permitted Encumbrances").

[redacted] [redacted] [redacted]

Section 3.02 Defend Title. This Mortgage is, and always will be kept, a direct first Lien and security interest upon the Mortgaged Property subject only to the Permitted Encumbrances. Mortgagor will not create or suffer to be created or permit to exist any Lien, security interest or charge prior or junior to or on a parity with the Lien and security interest of this Mortgage upon the Mortgaged Property or any part thereof or upon the rents, issues, revenues, profits and other income therefrom other than Permitted Encumbrances. Mortgagor will warrant and defend the title to the Mortgaged Property against the claims and demands of all other Persons whomsoever and will maintain and preserve the Lien created hereby so long as any of the Indebtedness hereby remains unpaid. Should an adverse claim be made against or a cloud develop upon the title to any part of the Mortgaged Property that materially affects such Mortgaged Property, Mortgagor agrees it will immediately defend against such adverse claim or take appropriate action to remove such cloud at Mortgagor's cost and expense, and Mortgagor further agrees that the Trustee and/or Mortgagee may take such other action as they deem advisable to protect and preserve their interests and the interests of the Lenders in the Mortgaged Property, **AND IN SUCH EVENT MORTGAGOR WILL INDEMNIFY THE TRUSTEE AND MORTGAGEE AGAINST ANY AND ALL COST, ATTORNEY'S FEES AND OTHER EXPENSES WHICH THEY MAY INCUR IN DEFENDING AGAINST ANY SUCH ADVERSE CLAIM OR TAKING ACTION TO REMOVE ANY SUCH CLOUD.**

Section 3.03 Not a Foreign Person. Mortgagor is not a "foreign person" within the meaning of the Internal Revenue Code of 1986, as amended (hereinafter called the "Code"), Sections 1445 and 7701 (i.e. Mortgagor is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Code and any regulations promulgated thereunder).

Section 3.04 Power to Create Lien and Security. Mortgagor has full corporate power and lawful authority to grant, bargain, sell, assign, transfer, mortgage, and convey a security interest in all of the Mortgaged Property (subject to Permitted Encumbrances) in the manner and form herein provided. No authorization, approval, consent or waiver of any lessor, sublessor, Governmental Authority or other party or parties whomsoever is required in connection with the execution and delivery by Mortgagor of this Mortgage except to the extent the approval or consent of the Louisiana State Mineral Board, the Minerals Management Service or the Department of the Interior, United States of America, as the case may be, is required by applicable law or regulation to the transfer or assignment of an interest in any of the Mortgaged Property.

Section 3.05 Revenue and Cost Bearing Interest. Mortgagor's ownership of the Hydrocarbon Property and the undivided interests therein as specified on attached Exhibit A will, after giving full effect to all Permitted Encumbrances, afford Mortgagor not less than those net interests (expressed as a fraction, percentage or decimal) in the production from or which is allocated to such Hydrocarbon Property specified on attached Exhibit A and will cause Mortgagor to bear not more than that portion (expressed as a fraction, percentage or decimal), specified on attached Exhibit A, of the costs of drilling, developing and operating the wells identified on Exhibit A.

Section 3.06 Rentals Paid; Leases in Effect. Except as otherwise permitted by the Credit Agreement, all rentals and royalties due and payable in accordance with the terms of any leases or

subleases comprising a part of the Hydrocarbon Property have been duly paid or provided for and all leases or subleases comprising a part of the Hydrocarbon Property are in full force and effect.

Section 3.07 Operation By Third Parties. In the event that all or any portions of the Mortgaged Property is comprised of interests in the Hydrocarbon Property which are not working interests or which are operated by a party or parties other than Mortgagor, then, with respect to such interests and properties, Mortgagor's covenants as expressed in this Article III are modified to require that Mortgagor use its reasonable efforts to obtain compliance with such covenants by the working interest owners or the operator or operators of such leases or properties.

Section 3.08 Abandon, Sales. Mortgagor will not sell, lease, assign, transfer or otherwise dispose or abandon any of the Mortgaged Property except as permitted by the Credit Agreement.

Section 3.09 Failure to Perform. Mortgagor agrees that if Mortgagor fails to perform any act or to take any action which Mortgagor is required to perform or take hereunder or pay any money which Mortgagor is required to pay hereunder, each of the Mortgagee and the Trustee in Mortgagor's name or its or their own name may, but shall not be obligated to, perform or cause to perform such act or take such action or pay such money, and any expenses so incurred by either of them and any money so paid by either of them shall be a demand obligation owing by Mortgagor to the Mortgagee or the Trustee, as the case may be, and each of the Mortgagee and the Trustee, upon making such payment, shall be subrogated to all of the rights of the Person receiving such payment. Each amount due and owing by Mortgagor to each of the Mortgagee and the Trustee pursuant to this Mortgage shall bear interest from the date of such expenditure or payment or other occurrence which gives rise to such amount being owed to such Person until paid at a rate per annum equal to the lesser of (x) the Highest Lawful Rate applicable to the Lender making such Loan and (y) the sum of the Post-Default Rate (as defined in the Credit Agreement), and all such amounts together with such interest thereon shall be a part of the Indebtedness described in Section 1.03 hereof.

Section 3.10 Operation of Mortgaged Property, Etc. Except as otherwise permitted by the Credit Agreement, Mortgagor will promptly pay and discharge all rentals, delay rentals, royalties and indebtedness accruing under, and perform or cause to be performed each and every act, matter or thing required by, each and all of the assignments, deeds, leases, sub-leases, contracts and agreements described or referred to herein or affecting Mortgagor's interests in the Mortgaged Property, and will do all other things necessary to the prudent and economic operation of the Mortgaged Property in order to keep unimpaired Mortgagor's rights with respect thereto and prevent any forfeiture thereof or default thereunder. Except as otherwise permitted by the Credit Agreement, the Mortgaged Property (and properties unitized therewith) has been maintained, operated and developed in a good and workmanlike manner and in conformity with all applicable laws and all rules, regulations and orders of all duly constituted authorities having jurisdiction and in conformity with the provisions of all leases, subleases or other contracts comprising a part of the Hydrocarbon Property and other contracts and agreements forming a part of the Mortgaged Property; specifically in this connection, (i) as of the Effective Date no Mortgaged Property is subject to having allowable production reduced below the full and regular allowable (including the maximum permissible tolerance) because of any overproduction (whether or not the same was permissible at the time) prior

to the Effective Date and (ii) none of the wells comprising a part of the Mortgaged Property (or properties unitized therewith) are deviated from the vertical more than the maximum permitted by applicable laws, regulations, rules and orders, and such wells are, in fact, bottomed under and are producing from, and the well bores are wholly within, the Mortgaged Property (or, in the case of wells located on properties unitized therewith, such unitized properties). Except as otherwise permitted by the Credit Agreement, Mortgagor will operate the Mortgaged Property in a careful and efficient manner in accordance with the practices of the industry and in compliance with all applicable contracts and agreements and in compliance with all applicable proration and conservation laws of the jurisdiction in which the Mortgaged Property is situated, and all applicable laws, rules and regulations of every other agency and authority from time to time constituted to regulate the development and operation of the Mortgaged Property and the production and sale of Hydrocarbons and other minerals therefrom. Except as otherwise permitted by the Credit Agreement, Mortgagor will do or cause to be done such development work as may be reasonably necessary to the prudent and economical operation of the Mortgaged Property in accordance with the practices of prudent operators in the industry, including all to be done that may be appropriate to protect from diminution the productive capacity of the Mortgaged Property and each producing well thereon including, without limitation, cleaning out and reconditioning each well from time to time, plugging and completing at a different level each such well, drilling a substitute well to conform to changed spacing regulations and to protect the Mortgaged Property against drainage whenever and as often as is necessary.

ARTICLE IV

Rights and Remedies

Section 4.01 Event of Default. An "Event of Default" under the Credit Agreement shall be an Event of Default under this Mortgage.

Section 4.02 Foreclosure and Sale. (a) If an Event of Default shall occur and be continuing, Mortgagee shall have the right and option to proceed with foreclosure by directing the Trustee, or his successors or substitutes in trust, to proceed with foreclosure and to sell, to the extent permitted by law, all or any portion of the Deed of Trust Mortgaged Property at one or more sales, as an entirety or in parcels, at such place or places in otherwise such manner and upon such notice as may be required by law, or, in the absence of any such requirement, as the Mortgagee may deem appropriate, and to make conveyance to the purchaser or purchasers. Where the Deed of Trust Mortgaged Property is situated in more than one county, notice as above provided shall be posted and filed in all such jurisdictions (if such notices are required by law), and all such Deed of Trust Mortgaged Property may be sold in any such jurisdiction and any such notice shall designate the jurisdiction where such Deed of Trust Mortgaged Property is to be sold. Nothing contained in this Section 4.02 shall be construed so as to limit in any way the Trustee's rights to sell the Deed of Trust Mortgaged Property, or any portion thereof, by private sale if, and to the extent that, such private sale is permitted under the laws of the applicable jurisdiction or by public or private sale after entry of a judgment by any court of competent jurisdiction so ordering. After the occurrence and

continuation of an Event of Default, Mortgagor hereby irrevocably appoints the Trustee to be the attorney of Mortgagor and in the name and on behalf of Mortgagor to execute and deliver any deeds, transfers, conveyances, assignments, assurances and notices which Mortgagor ought to execute and deliver and do and perform any and all such acts and things which Mortgagor ought to do and perform under the covenants herein contained and generally, to use the name of Mortgagor in the exercise of all or any of the powers hereby conferred on the Trustee. At any such sale: (i) whether made under the power herein contained or any other legal enactment, or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it shall not be necessary for Trustee to have physically present, or to have constructive possession of, the Deed of Trust Mortgaged Property (Mortgagor hereby covenanting and agreeing to deliver to Trustee any portion of the Deed of Trust Mortgaged Property not actually or constructively possessed by Trustee immediately upon demand by Trustee) and the title to and right of possession of any such property shall pass to the purchaser thereof as completely as if the same had been actually present and delivered to purchaser at such sale, (ii) each instrument of conveyance executed by Trustee may, at the election of the Trustee, contain a general warranty of title, binding upon Mortgagor and its successors and assigns, (iii) each and every recital contained in any instrument of conveyance made by Trustee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Indebtedness, advertisement and conduct of such sale in the manner provided herein and otherwise by law and appointment of any successor Trustee hereunder, (iv) any and all prerequisites to the validity thereof shall be conclusively presumed to have been performed, (v) the receipt of Trustee or of such other party or officer making the sale shall be a sufficient discharge to the purchaser or purchasers for its purchase money and no such purchaser or purchasers, or its assigns or personal representatives, shall thereafter be obligated to see to the application of such purchase money, or be in any way answerable for any loss, misapplication or nonapplication thereof, (vi) to the fullest extent permitted by law, Mortgagor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Mortgagor, and against any and all other Persons claiming or to claim the property sold or any part thereof, by, through or under Mortgagor, and (vii) to the extent and under such circumstances as are permitted by law, Mortgagee may be a purchaser at any such sale, and shall have the right, after paying or accounting for all costs of said sale or sales, to credit the amount of the bid upon the amount of the Indebtedness (in the order of priority set forth in Section 4.14 hereof) in lieu of cash payment.

(b) If an Event of Default shall occur and be continuing, this Mortgage may be foreclosed as to the Other Mortgaged Properties, or any part thereof, in any manner permitted by applicable law. Cumulative of the foregoing and the other provisions of this Section 4.02, as to any portion of the Other Mortgaged Properties located in the State of Louisiana (or within the offshore area over which the United States of America asserts jurisdiction and to which the laws of such state are applicable with respect to this Mortgage and/or the liens or security interests created hereby), Mortgagee may foreclose this Mortgage by executory process subject to, and on the terms and conditions required or permitted by, applicable law, and shall have the right to appoint a keeper of such Other Mortgaged Properties.

Section 4.03 Substitute Trustees and Mortgagees. The Trustee or his successor or substitute may appoint or delegate any one or more Persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting of notices and the conduct of sale, but in the name and on behalf of Trustee, his successor or substitute. If Trustee or his successor or substitute shall have given notice of sale hereunder, any successor or substitute trustee thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the successor or substitute trustee conducting the sale.

Section 4.04 Judicial Foreclosure; Receivership. If the Indebtedness shall become due and payable and shall not be promptly paid, the Trustee or Mortgagee shall have the right and power to proceed by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure hereunder or for the sale of the Mortgaged Property under the judgment or decree of any court or courts of competent jurisdiction, or for the appointment of a receiver pending any foreclosure hereunder or the sale of the Mortgaged Property under the order of a court or courts of competent jurisdiction or under executory or other legal process, or for the enforcement of any other appropriate legal or equitable remedy. Any money advanced by the Trustee and/or Mortgagee in connection with any such receivership shall be a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to the Trustee and/or Mortgagee and shall bear interest from the date of making such advance by the Trustee and/or Mortgagee until paid at the Post-Default Rate.

Section 4.05 Foreclosure for Installments. The Mortgagee shall also have the option to proceed with foreclosure in satisfaction of any installments of the Indebtedness which have not been paid when due either through the courts or by directing the Trustee or his successors in trust to proceed with foreclosure in satisfaction of the matured but unpaid portion of the Indebtedness as if under a full foreclosure, conducting the sale as herein provided and without declaring the entire principal balance and accrued interest due; such sale may be made subject to the unmatured portion of the Indebtedness, and any such sale shall not in any manner affect the unmatured portion of the Indebtedness, but as to such unmatured portion of the Indebtedness this Mortgage shall remain in full force and effect just as though no sale had been made hereunder. It is further agreed that several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Indebtedness, it being the purpose hereof to provide for a foreclosure and sale of the security for any matured portion of the Indebtedness without exhausting the power to foreclose and sell the Mortgaged Property for any subsequently maturing portion of the Indebtedness.

Section 4.06 Separate Sales The Mortgaged Property may be sold in one or more parcels and in such manner and order as Mortgagee and the Lenders, in their sole discretion, may elect, it being expressly understood and agreed that the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 4.07 Possession of Mortgaged Property. Mortgagor agrees to the full extent that it lawfully may, that, upon the occurrence and continuation of any Event of Default, then, the Trustee or Mortgagee shall have the right and power to enter into and upon and take possession of all or any

part of the Mortgaged Property in the possession of Mortgagor, its successors or assigns, or its or their agents or servants, and may exclude Mortgagor, its successors or assigns, and all Persons claiming under Mortgagor, and its or their agents or servants wholly or partly therefrom; and, holding the same, the Trustee may use, administer, manage, operate and control the Mortgaged Property and conduct the business thereof to the same extent as Mortgagor, its successors or assigns, might at the time do and may exercise all rights and powers of Mortgagor, in the name, place and stead of Mortgagor, or otherwise as the Trustee shall deem best. All costs, expenses and liabilities of every character incurred by the Trustee and/or Mortgagee in administering, managing, operating, and controlling the Mortgaged Property shall constitute a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to the Trustee and/or Mortgagee and shall bear interest from date of expenditure until paid at the Post-Default Rate, all of which shall constitute a portion of the Indebtedness and shall be secured by this Mortgage.

Section 4.08 Occupancy After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale Mortgagor or Mortgagor's heirs, devisees, representatives, successors or assigns or any other Person claiming any interest in the Mortgaged Property by, through or under Mortgagor, are occupying or using the Mortgaged Property or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either the landlord or tenant, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; to the extent permitted by applicable law, the purchaser at such sale shall, notwithstanding any language herein apparently to the contrary, have the sole option to demand immediate possession following the sale or to permit the occupants to remain as tenants at will. In the event the tenant fails to surrender possession of said property upon demand, the purchaser shall be entitled to institute and maintain a summary action for possession of the Mortgaged Property (such as an action for forcible entry and detainer) in any court having jurisdiction.

Section 4.09 Remedies Cumulative, Concurrent and Nonexclusive. Every right, power and remedy herein given to the Trustee or Mortgagee shall be cumulative and in addition to every other right, power and remedy herein specifically given or now or hereafter existing in equity, at law or by statute (including specifically those granted by the Applicable UCC and applicable to the Mortgaged Property or any portion thereof) each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and so often and in such order as may be deemed expedient by the Trustee, the Mortgagee and/or the Lenders, and the exercise, or the beginning of the exercise, of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter any other right, power or remedy. No delay or omission by the Trustee, the Mortgagee and/or the Lenders in the exercise of any right, power or remedy shall impair any such right, power or remedy or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing.

Section 4.10 No Release of Indebtedness. Neither Mortgagor, any guarantor nor any other Person hereafter obligated for payment of all or any part of the Indebtedness shall be relieved of such obligation by reason of (a) the failure of Trustee to comply with any request of Mortgagor, or any guarantor or any other Person so obligated to foreclose the lien of this Mortgage or to enforce any

provision hereunder or under the Credit Agreement; (b) the release, regardless of consideration, of the Mortgaged Property or any portion thereof or interest therein or the addition of any other property to the Mortgaged Property or the release of any other property given by any Person to secure the Indebtedness; (c) any agreement or stipulation between any subsequent owner of the Mortgaged Property and Mortgagee extending, renewing, rearranging or in any other way modifying the terms of this Mortgage without first having obtained the consent of, given notice to or paid any consideration to Mortgagor, any guarantor or such other Person, and in such event Mortgagor, guarantor and all such other Persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement unless expressly released and discharged in writing by Mortgagee; or (d) by any other act or occurrence save and except the complete payment of the Indebtedness and the complete fulfillment of all obligations hereunder or under the Credit Agreement.

Section 4.11 Release of Mortgaged Property. Mortgagee may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interest created in or evidenced by this Mortgage or its stature as a first and prior lien and security interest in and to the Mortgaged Property, and without in any way releasing or diminishing the liability of any Person liable for the repayment of the Indebtedness.

Section 4.12 Waiver of Redemption, Notice and Marshalling of Assets, Etc. To the fullest extent permitted by applicable law, Mortgagor hereby irrevocably and unconditionally waives and releases: (a) all benefits that might accrue to Mortgagor by virtue of any present or future moratorium law or other law exempting the Mortgaged Property from attachment, levy or sale on execution or providing for any appraisement, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment; (b) presentment, demand, notice of non-payment, protest and notice of protest and dishonor, notice of Event of Default, notice of intent to accelerate the maturity and notice of acceleration of the maturity and any other notice in connection with the Indebtedness or of Trustee's election to exercise or his actual exercise of any right, remedy or recourse provided for hereunder or under the Credit Agreement; and (c) any right to a marshalling of assets or a sale in inverse order of alienation. If any law referred to in this Mortgage and now in force, of which Mortgagor or its successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall thereafter be deemed not to constitute any part of the contract herein contained or to preclude the operation or application of the provisions hereof. Provided, however, that if the laws of any state do not permit the redemption period to be waived, the redemption period is specifically reduced to the minimum amount of time allowable by statute, and specifically for any property located in the State of New Mexico, the redemption period hereunder shall be reduced to one month. Debtor hereby waives, releases and relinquishes all of its right of appraisement and hereby waives, releases and relinquishes all right of redemption under the laws of Arkansas, including, but not limited to, all right of redemption under Ark. Code Ann. § 18-49-106.

Section 4.13 Discontinuance of Proceedings In case Mortgagee and the Lenders shall have proceeded to invoke any right, remedy or recourse permitted hereunder or under the Credit

Agreement and shall thereafter elect to discontinue or abandon same for any reason, the Mortgagee and the Lenders shall have the unqualified right so to do and, in such an event, Mortgagor, the Mortgagee and the Lenders shall be restored to their former positions with respect to the Indebtedness, this Mortgage, the Credit Agreement, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Mortgagee and the Lenders shall continue as if same had never been invoked.

Section 4.14 Application of Proceeds. The proceeds of any sale of the Mortgaged Property or any part thereof and all other monies received by the Trustee or Mortgagee in any proceedings for the enforcement hereof or otherwise, whose application has not elsewhere herein been specifically provided for, shall be applied as specified in the Credit Agreement.

Section 4.15 Resignation of Operator. In addition to all rights and remedies under this Mortgage, at law and in equity, if the Trustee or the Mortgagee shall exercise any remedies under this Mortgage with respect to any portion of the Mortgaged Property (or Mortgagor shall transfer any Mortgaged Property "in lieu of" foreclosure), the Mortgagee or the Trustee shall have the right to request that any operator of any Mortgaged Property which is either Mortgagor or any Affiliate of Mortgagor to resign as operator under the joint operating agreement applicable thereto, and no later than 60 days after receipt by Mortgagor of any such request, Mortgagor shall resign (or cause such other party to resign) as operator of such Mortgaged Property.

Section 4.16 **INDEMNITY. IN CONNECTION WITH ANY ACTION TAKEN BY THE TRUSTEE, THE MORTGAGEE AND/OR THE LENDERS PURSUANT TO THIS MORTGAGE, THE TRUSTEE, THE MORTGAGEE, THE LENDERS AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, MORTGAGEES, ATTORNEYS, ACCOUNTANTS AND EXPERTS ("INDEMNIFIED PARTIES") SHALL NOT BE LIABLE FOR ANY DAMAGE SUSTAINED BY MORTGAGOR RESULTING FROM AN ASSERTION THAT ANY SUCH INDEMNIFIED PARTY HAS RECEIVED FUNDS FROM THE PRODUCTION OF HYDROCARBONS CLAIMED BY THIRD PERSONS OR ANY ACT OR OMISSION OF ANY INDEMNIFIED PARTY IN ADMINISTERING, MANAGING, OPERATING OR CONTROLLING THE MORTGAGED PROPERTY INCLUDING SUCH DAMAGE WHICH MAY RESULT FROM THE ORDINARY NEGLIGENCE OF AN INDEMNIFIED PARTY UNLESS SUCH DAMAGE IS CAUSED BY THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BAD FAITH OF AN INDEMNIFIED PARTY, NOR SHALL THE TRUSTEE, THE MORTGAGEE OR ANY LENDER BE OBLIGATED TO PERFORM OR DISCHARGE ANY OBLIGATION, DUTY OR LIABILITY OF MORTGAGOR. MORTGAGOR SHALL AND DOES HEREBY AGREE TO INDEMNIFY EACH INDEMNIFIED PARTY FOR, AND TO HOLD EACH INDEMNIFIED PARTY HARMLESS FROM, ANY AND ALL LIABILITY OR DAMAGE WHICH MAY OR MIGHT BE INCURRED BY ANY INDEMNIFIED PARTY BY REASON OF THIS MORTGAGE OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER UNLESS SUCH DAMAGE IS CAUSED BY THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BAD FAITH OF AN INDEMNIFIED PARTY**; should the Trustee, the Mortgagee and/or the Lenders make any expenditure on account of any such liability or damage, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to such Person and shall bear interest from the date expended until paid at the Post-Default Rate, shall be a part of the Indebtedness and shall be secured by this Mortgage and any other Security Instrument. Mortgagor

hereby assents to, ratifies and confirms any and all actions of the Trustee, the Mortgagee and/or the Lenders with respect to the Mortgaged Property taken under this Mortgage. The liabilities of Mortgagor as set forth in this Section 4.16 shall survive the termination of this Mortgage.

ARTICLE V

The Trustee

Section 5.01 Duties, Rights, and Powers of Trustee. It shall be no part of the duty of the Trustee to see to any recording, filing or registration of this Mortgage or any other instrument in addition or supplemental thereto, or to give any notice thereof, or to see to the payment of or be under any duty in respect of any tax or assessment or other governmental charge which may be levied or assessed on the Mortgaged Property, or any part thereof, or against Mortgagor, or to see to the performance or observance by Mortgagor of any of the covenants and agreements contained herein. The Trustee shall not be responsible for the execution, acknowledgment or validity of this Mortgage or of any instrument in addition or supplemental hereto or for the sufficiency of the security purported to be created hereby, and makes no representation in respect thereof or in respect of the rights of Mortgagee and/or the Lenders. The Trustee shall have the right to advise with counsel upon any matters arising hereunder and shall be fully protected in relying as to legal matters on the advice of counsel. The Trustee shall not incur any personal liability hereunder except for Trustee's own willful misconduct or bad faith; and the Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine.

Section 5.02 Successor Trustee. The Trustee may resign by written notice addressed to Mortgagee or be removed at any time with or without cause by an instrument in writing duly executed on behalf of Mortgagee. In case of the death, resignation or removal of the Trustee, a successor trustee may be appointed by Mortgagee by instrument of substitution complying with any applicable requirements of law, or, in the absence of any such requirement, without other formality than appointment and designation in writing. Written notice of such appointment and designation shall be given by Mortgagee to Mortgagor, but the validity of any such appointment shall not be impaired or affected by failure to give such notice or by any defect therein. Such appointment and designation shall be full evidence of the right and authority to make the same and of all the facts therein recited, and, upon the making of any such appointment and designation, this Mortgage shall vest in the successor trustee all the estate and title in and to all of the Mortgaged Property, and the successor trustee shall thereupon succeed to all of the rights, powers, privileges, immunities and duties hereby conferred upon the Trustee named herein, and one such appointment and designation shall not exhaust the right to appoint and designate a successor trustee hereunder but such right may be exercised repeatedly as long as any Indebtedness remains unpaid hereunder. To facilitate the administration of the duties hereunder, Mortgagee may appoint multiple trustees to serve in such capacity or in such jurisdictions as Mortgagee may designate.

Section 5.03 Retention of Moneys. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need

not be segregated in any manner from any other moneys (except to the extent required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder.

ARTICLE VI

Miscellaneous

Section 6.01 Instrument Construed as Mortgage, Etc. With respect to any portions of the Mortgaged Property located in any state or other jurisdiction the laws of which do not provide for the use or enforcement of a deed of trust or the office, rights and authority of the Trustee as herein provided, the general language of conveyance hereof to the Trustee is intended and the same shall be construed as words of mortgage unto and in favor of Mortgagee and the rights and authority granted to the Trustee herein may be enforced and asserted by Mortgagee in accordance with the laws of the jurisdiction in which such portion of the Mortgaged Property is located and the same may be foreclosed at the option of Mortgagee as to any or all such portions of the Mortgaged Property in any manner permitted by the laws of the jurisdiction in which such portions of the Mortgaged Property is situated. This Mortgage may be construed as a mortgage, deed of trust, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the Lien hereof and the purposes and agreements herein set forth.

Section 6.02 Release of Lien. If all Indebtedness secured hereby shall be paid and the Credit Agreement terminated, Mortgagee shall forthwith cause satisfaction and discharge of this Mortgage to be entered upon the record in each jurisdiction in which this Mortgage is filed at the expense of Mortgagor and shall execute and deliver or cause to be executed and delivered such instruments of satisfaction and reassignment, including releases, as may be appropriate. Otherwise, this Mortgage shall remain and continue in full force and effect.

Section 6.03 Severability. If any provision hereof is invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction and the remaining provisions hereof shall be liberally construed in favor of the Trustee, the Mortgagee and the Lenders in order to effectuate the provisions hereof, and the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction.

Section 6.04 Successors and Assigns of Parties. The term "Lender" as used herein shall mean and include any legal owner, holder, assignee or pledgee of any of the Indebtedness secured hereby. The terms used to designate Trustee, Mortgagee and Mortgagor shall be deemed to include the respective heirs, legal representatives, successors and assigns of such parties.

Section 6.05 Satisfaction of Prior Encumbrance. To the extent that proceeds of the Credit Agreement are used to pay indebtedness secured by any outstanding Lien, security interest, charge or prior encumbrance against the Mortgaged Property, such proceeds have been advanced at

Mortgagor's request, and the Lenders shall be subrogated to any and all rights, security interests and Liens owned by any owner or holder of such outstanding Liens, security interests, charges or encumbrances, irrespective of whether said Liens, security interests, charges or encumbrances are released, and it is expressly understood that, in consideration of the payment of such other indebtedness by the Lenders, Mortgagor hereby waives and releases all demands and causes of action for offsets and payments to, upon and in connection with the said indebtedness.

Section 6.06 Subrogation of Trustee. This Mortgage is made with full substitution and subrogation of the Trustee and his successors in this trust and his and their assigns in and to all covenants and warranties by others heretofore given or made in respect of the Mortgaged Property or any part thereof.

Section 6.07 Nature of Covenants. The covenants and agreements herein contained shall constitute covenants running with the land and interests covered or affected hereby and shall be binding upon the heirs, legal representatives, successors and assigns of the parties hereto.

Section 6.08 Notices. All notices, requests, consents, demands and other communications required or permitted hereunder shall be given in accordance with the terms of the Credit Agreement or as required by applicable Governmental Requirement. Mortgagor hereby requests a copy of any notice of default or notice of sale under this Mortgage be provided to it in the manner provided by this Section 6.08.

Section 6.09 Counterparts. This Mortgage is being executed in several counterparts, all of which are identical, except that to facilitate recordation, if the Mortgaged Property is situated in more than one jurisdiction, descriptions of only those portions of the Mortgaged Property located in the jurisdiction in which a particular counterpart is recorded shall be attached as Exhibit A thereto. An Exhibit A containing a description of all Mortgaged Property wheresoever situated will be attached to that certain counterpart to be attached to a Financing Statement and filed with the Secretary of State of Wyoming in the Uniform Commercial Code Records. Each of such counterparts shall for all purposes be deemed to be an original and all such counterparts shall together constitute but one and the same instrument.

SECTION 6.10 GOVERNING LAW. INSOFAR AS PERMITTED BY OTHERWISE APPLICABLE LAW, THIS MORTGAGE AND THE INDEBTEDNESS SHALL BE CONSTRUED UNDER AND GOVERNED BY THE LAWS OF THE STATE OF TEXAS; PROVIDED, HOWEVER, THAT, WITH RESPECT TO ANY PORTION OF THE MORTGAGED PROPERTY LOCATED OUTSIDE OF THE STATE OF TEXAS, THE LAWS OF THE JURISDICTION IN WHICH SUCH PROPERTY IS LOCATED OR OFFSHORE ADJACENT TO (AND STATE LAW MADE APPLICABLE AS A MATTER OF FEDERAL LAW), SHALL APPLY TO THE EXTENT OF PROCEDURAL AND SUBSTANTIVE MATTERS RELATING ONLY TO THE CREATION, PERFECTION, FORECLOSURE OF LIENS AND ENFORCEMENT OF RIGHTS AND REMEDIES AGAINST THE MORTGAGED PROPERTY. MORTGAGOR HEREBY IRREVOCABLY SUBMITS ITSELF TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE OF TEXAS AND EACH OTHER STATE WHERE THE MORTGAGED PROPERTY IS LOCATED AND AGREES AND CONSENTS THAT SERVICE OF PROCESS MAY BE MADE UPON IT IN ANY LEGAL PROCEEDING

RELATING TO THIS MORTGAGE, THE BASIC DOCUMENTS OR THE INDEBTEDNESS IN THE CASE OF A PROCEEDING IN ANY OF SUCH STATES, BY SERVING THE SECRETARY OF STATE OF SUCH STATE IN ACCORDANCE WITH ANY APPLICABLE PROVISIONS OF SUCH STATE'S LAW GOVERNING SERVICE OF PROCESS UPON FOREIGN CORPORATIONS OR ENTITIES.

Section 6.11 Financing Statement; Fixture Filing. This Mortgage shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Mortgaged Property and is to be filed or filed for record in the real estate records of each jurisdiction where any part of the Mortgaged Property (including said fixtures) are situated. This Mortgage shall also be effective as a financing statement covering minerals or the like (including oil and gas and all other substances of value which may be extracted from the ground) and accounts financed at the wellhead of wells located on the properties subject to the Applicable UCC and is to be filed for record in the real estate records of each jurisdiction where any part of the Mortgaged Property is situated. In addition, Mortgagor shall execute and deliver to the Mortgagee, upon the Mortgagee's request, any financing statements or amendments thereof or continuation statements thereto that the Mortgagee may require to perfect a security interest in said items or types of property. Mortgagor shall pay all costs of filing such instruments. In that regard, the following information is provided:

Name of Debtor:	Howell Petroleum Corporation
Address of Debtor and County of Residence (chief executive offices):	1500 Howell Building 1111 Fannin Houston, Harris County, Texas 77002-6923
Principal Place of Business of Debtor:	Same as above.
Tax I.D. Number of Debtor:	74-2047940
Name of Secured Party:	Bank of Montreal, as Agent
Address of Secured Party:	115 South LaSalle Street Chicago, Illinois 60603
Tax I.D. Number of Secured Party:	13-494-1092
Owner of Record of Real Property:	Debtor

Section 6.12 No Paraph. Mortgagor acknowledges that no promissory note or other instrument has been presented to the undersigned Notary Public(s) to be paraphed for identification herewith.

Section 6.13 Merger of Interests. Mortgagor intends, that to the extent that it owns an interest in the working interest or leasehold interest in any Hydrocarbon Property and it also owns an interest in an overriding royalty interest, net profits interest or other carve-out from the leasehold interest in the same Hydrocarbon Property, that title to the different interests it owns in the same Hydrocarbon Property be merged.

ARTICLE VII

Special Louisiana Provisions

Section 7.01 Maximum Amount. Insofar as any portion of the Mortgaged Property situated in or offshore the State of Louisiana is concerned, or as to which the laws of the State of Louisiana would be applicable, the maximum amount of the Indebtedness that may be outstanding at any time and from time to time that this Mortgage secures is fixed at $200,000,000.00.

Section 7.02 Keeper. The Mortgagee shall have the right to appoint a keeper of the Mortgaged Property pursuant to the terms and provisions of La. R.S. 9:5131 et seq. and 9:5136 et seq.

Section 7.03 Confession of Judgment. For purposes of executory process Mortgagor acknowledges the Indebtedness secured hereby, whether now existing or to arise hereafter, and confesses judgment thereon if not paid when due. Upon the occurrence of an Event of Default and any time thereafter so long as the same shall be continuing, and in addition to all other rights and remedies granted the Mortgagee hereunder, it shall be lawful for and Mortgagor hereby authorizes the Mortgagee without making a demand or putting Mortgagor in default, a putting in default being expressly waived, to cause all and singular the Mortgaged Property to be seized and sold after due process of law, Mortgagor waiving the benefit of any and all laws or parts of laws relative to appraisement of Mortgaged Property seized and sold under executory process or other legal process, and consenting that the Mortgaged Property be sold without appraisement, either in its entirety or in lots or parcels, as the Mortgagee may determine, to the highest bidder for cash or on such other terms as the plaintiff in such proceedings may direct. The Mortgagee shall be granted all rights and remedies granted it hereunder as well as all rights and remedies granted a Mortgagee under Louisiana law including the Uniform Commercial Code then in effect in Louisiana.

Section 7.04 Waivers. Mortgagor hereby waives:

(a) The benefit of appraisement provided for in articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure and all other laws conferring the same;

(b) The demand and three (3) days notice of demand as provided in articles 2639 and 2721 of the Louisiana Code of Civil Procedure;

THUS DONE AND PASSED, this 31st day of July, 1998 (the "Effective Date") before the undersigned Notary Public and witnesses.

Mortgagor:

HOWELL PETROLEUM CORPORATION

By: Robert T Moffett
Name: Robert T. Moffett
Title: Vice President

WITNESSES:

Name: Mark W. Heathcote

John E Brewster Jr
Name: John E. Brewster, Jr.

Carol J Jessup
Notary Public

CAROL J. JESSUP
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
JULY 16, 2002

[redacted] [redacted] [redacted]

EXHIBIT A

Attached to and made a part of that certain Mortgage. Deed of Trust. Assignment of Production. Security Agreement and Financing Statement Effective July 31. 1998 by and between Howell Petroleum Corporation. as Mortgagor and Robert L. Roberts. as Trustee for the benefit of the Bank of Montreal. as Agent.

SUBLETTE COUNTY, WYOMING
LA BARGE UNIT
.0480635 Working Interest .03985076 Net Revenue Interest

EXHIBIT 'A' PAGE: 1

PROSPECT : FOGARTY CREEK UNIT

LEASE NUMBER: WY0013100-000 00 LEASE DATE: 06/01/65 EXPIRATION DATE: 05/31/75

LSE NAME: USA W-0317227 GROSS AC: 240.0000
LESSEE: R J ACKERMAN NET AC: 240.0000

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 492
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 28: W/2NW/4, SW/4
SURFACE TO 8,850' ONLY

LEASE NUMBER: WY0013101-000 00 LEASE DATE: 06/01/65 EXPIRATION DATE: 05/31/75

LSE NAME: USA W-0317227-A GROSS AC: 240.0000
LESSEE: R J ACKERMAN NET AC: 240.0000

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 492
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 33: NW/4, N/2SW/4
SURFACE TO 8,850' ONLY

LEASE NUMBER: WY0013102-000 00 LEASE DATE: 06/01/65 EXPIRATION DATE: 05/31/75

LSE NAME: USA W-0317228 GROSS AC: 259.3700
LESSEE: CATHERINE R WHITE NET AC: 259.3700

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 497
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 28: E/2NW/4
SECTION 33: LOTS 11, 12, 13, 14, 15
SURFACE TO 8,850' ONLY

LEASE NUMBER: WY0013103-000 00 LEASE DATE: 06/01/65 EXPIRATION DATE: 05/31/75

LSE NAME: USA W-0317229 GROSS AC: 676.3300
LESSEE: ALLEN R TRUE NET AC: 676.3300

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 499
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 29: LOTS 1, 2, 9-12, 19 & 20
SECTION 32: LOTS 1-10
SURFACE TO 8,850' ONLY

LEASE NUMBER: WY0013104-000 01 LEASE DATE: 03/01/69 EXPIRATION DATE: 02/28/79

LSE NAME: USA W-17208 GROSS AC: 180.4200
LESSEE: EDNA M JONES NET AC: 180.4200

COUNTY: SUBLETTE WY BOOK : 55 PAGE: 626
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 32: LOTS 16-20
SURFACE TO 8,950' ONLY

LEASE NUMBER: WY0013104-000 02 LEASE DATE: 03/01/69 EXPIRATION DATE: 02/28/79

LSE NAME: USA W-17208 GROSS AC: 180.4200
LESSEE: EDNA M JONES NET AC: 180.4200

COUNTY: SUBLETTE WY BOOK : 55 PAGE: 626
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*

PROSPECT : FOGARTY CREEK UNIT

LEASE NUMBER: WY0013104-000 02 LEASE DATE: 03/01/69 EXPIRATION DATE: 02/28/79
CONT. MAP REF: LOTS 16-20 SEC 32-28N-114W
SECTION 32: LOTS 16-20
BELOW 8,950' ONLY

LEASE NUMBER: WY0013105-000 00 LEASE DATE: 11/01/65 EXPIRATION DATE: 10/31/75

LSE NAME: USA W-0320213 GROSS AC: 287.8400
LESSEE: GEORGE C REEVES NET AC: 287.8400

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 501
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 29: LOTS 1-8, 13-15
SURFACE TO 8,850' ONLY

LEASE NUMBER: WY0013106-000 00 LEASE DATE: 04/01/66 EXPIRATION DATE: 03/31/76

LSE NAME: USA W-0322610 GROSS AC: 95.2800
LESSEE: EXXON COMPANY, USA NET AC: 95.2800

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 503
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 29: LOTS 16, 17 & 18
SURFACE TO 8,850' ONLY

LEASE NUMBER: WY0013107-000 00 LEASE DATE: 12/01/75 EXPIRATION DATE: 11/30/85

LSE NAME: USA W-52811 GROSS AC: 160.0000
LESSEE: ZAREPHA DOBBINS NET AC: 160.0000

COUNTY: SUBLETTE WY BOOK : 91 PAGE: 448
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 22: NW/4
ALL DEPTHS

LEASE NUMBER: WY0013108-000 01 LEASE DATE: 03/02/66 EXPIRATION DATE: 03/01/76

LSE NAME: ST OF WY 66-5165 GROSS AC: 320.0000
LESSEE: ETTA MANDEL NET AC: 320.0000

COUNTY: SUBLETTE WY BOOK : 92 PAGE: 26
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 16: N/2
SURFACE TO 100' BELOW THE TOTAL DEPTH OF THE #2-16 WELL

LEASE NUMBER: WY0013108-000 02 LEASE DATE: 03/02/66 EXPIRATION DATE: 03/01/76

LSE NAME: ST OF WY 66-5165 GROSS AC: 320.0000
LESSEE: ETTA MANDEL NET AC: 320.0000

COUNTY: SUBLETTE WY BOOK : 92 PAGE: 26
RECORDED: ENTRY:
LEGAL DESCR: TOWNSHIP 28 NORTH-RANGE 114 WEST
*
SECTION 16: S/2
FROM THE SURFACE TO 100' BELOW THE TOTAL DEPTH OF THE #2-16 WELL

460

PIPELINE EASEMENT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, That Wind River Properties, a Wyoming General Partnership, whose address is P. O. Box 38, Boulder, Wyoming 82923, ("Grantor") acting within the authority vested in it, does, for and in consideration of the payment of Ten or more Dollars ($10.00), grant, sell and convey to Jonah Gas Gathering Company, a Wyoming General Partnership, whose address is P. O. Box 426, Big Piney, Wyoming 83113, ("Grantee") for the uses and purposes and upon the conditions hereinafter set forth, an exclusive easement and right-of-way, for a pipeline, whether one or more, to transmit natural gas, oil and other hydrocarbons over a certain tract of land situated in the County of Sublette, State of Wyoming, more particularly described as follows:

> All that portion of the NE/4 of Section 11, T31N-R109W containing a strip of land approximately 1,000 feet in length and 50 feet in width as shown on the attached map identified as Exhibit "A" (hereinafter called "Easement").

TO HAVE AND TO HOLD for continuous use and benefit to locate, construct, control, maintain, improve, relocate, repair and bury the pipeline or pipelines within the designated Easement.

PROVIDED, That during temporary periods, the Grantee may use portions of the property adjacent to the Easement acquired for construction or repair. Grantor may not interfere with the Grantee's surface or subsurface rights or disturb its facilities.

PROVIDED FURTHER, That Grantor hereby covenants and agrees to cooperate with Grantee in its examination of Grantor's title to the lands subject to this Agreement. Further, Grantee shall have the right to enter upon the premises of the lands subject to this Easement for the purpose of inspecting the surface and for conducting surveys as may be necessary. Grantee shall have the right within thirty (30) days after the execution of this Agreement to notify Grantor of any defects of title which may materially affect the rights granted pursuant to this Agreement and in the event such defects of title are not cured to Grantee's reasonable satisfaction within thirty (30) days after the giving of such notice, Grantee shall have the right to terminate this Agreement and receive a refund of the amount paid to Grantor hereunder. Grantor hereby covenants and agrees to use reasonable efforts in curing any defects of title that may materially affect the rights of Grantee under the terms of this Agreement.

Upon written termination of this Agreement, Grantee shall, within one hundred eighty (180) days after the termination, remove all of its property from said premises at its sole cost and expense. All rights and interest vested in said Grantee by this Easement shall thereupon revert to the Grantor, its successors and assigns, the same as if this grant had never been made.

268720

RECORDED August 13 19 98 10:45 AM
IN BOOK 108 P & G PAGE 460
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Zaki Pape

[redacted] [redacted] [redacted]

This instrument shall be binding upon Grantor and Grantee herein, their respective, successors and assigns.

The laws and jurisdiction of the State of Wyoming shall govern this Agreement.

IN WITNESS WHEREOF, the party has executed this Agreement as of the 30 day of July, 1998.

ATTEST:

WIND RIVER PROPERTIES

By: Charles A. Chidsey
Charles A Chidsey, General Partner

STATE OF WYOMING)
) ss
COUNTY OF)

The foregoing instrument was acknowledged before me, a Notary Public, on this 30 Day of July, 1998, by Charles A Chidsey, as General Partner of Wind River Properties.

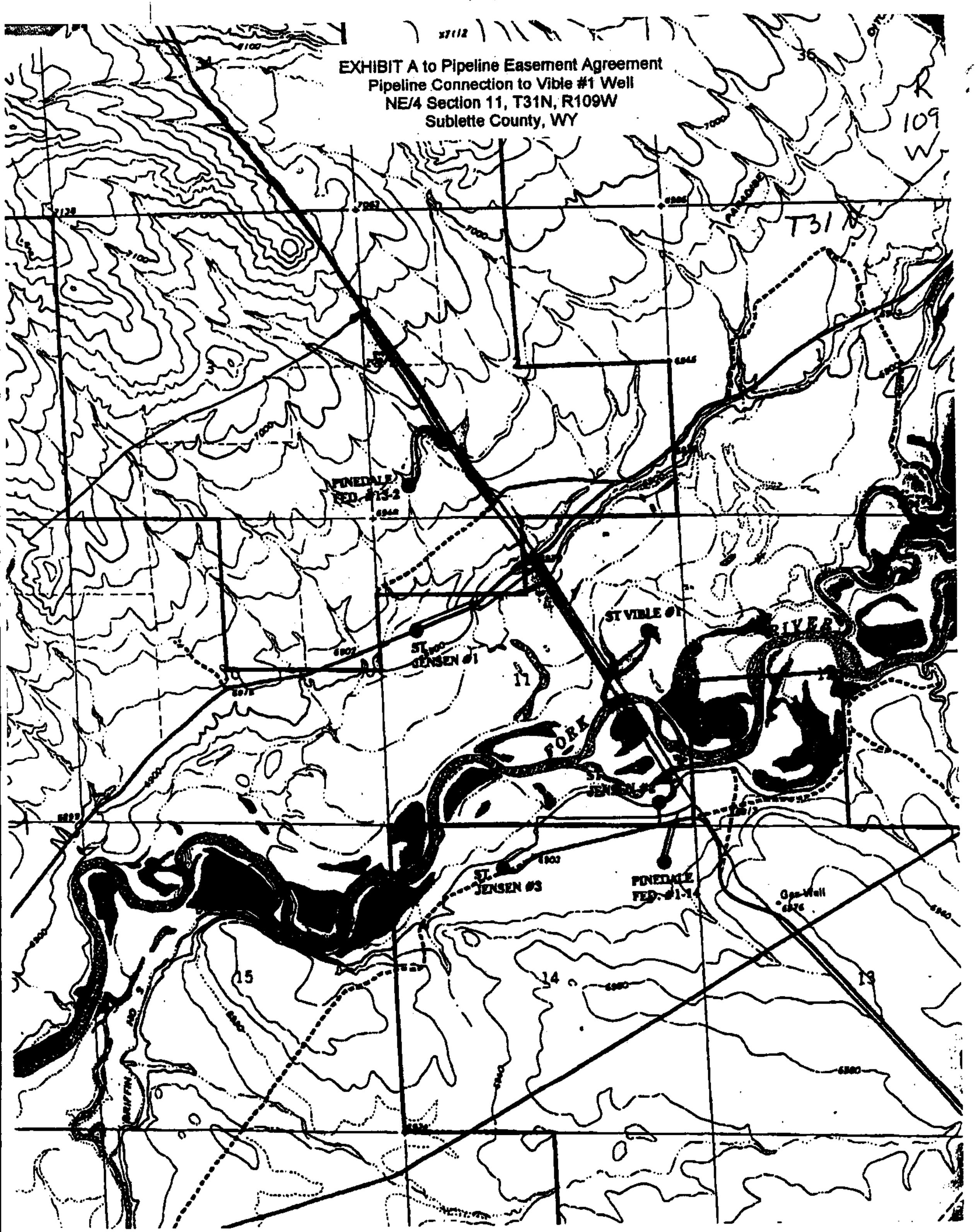
My Commission Expires:
March 2, 2002

Betty L. Auld
Notary Public

BETTY L. AULD - NOTARY PUBLIC
County of Sublette State of Wyoming
My Commission Expires March 2, 2002

462

EXHIBIT A to Pipeline Easement Agreement
Pipeline Connection to Vible #1 Well
NE/4 Section 11, T31N, R109W
Sublette County, WY



[redacted] [redacted] [redacted]

AFFIDAVIT

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

ROBIN BENKO, being first duly sworn, deposes and says:

That I am of lawful age and reside in the City and County of Denver, State of Colorado;

That I am the Land Manager of Ultra Resources, Inc., 304 Inverness Way South, Suite 295, Englewood, Colorado 80112; and

That the attached State of Wyoming Oil & Gas Lease Assignment dated September 26, 1996, from Big West Oil & Gas Inc. to Energy Investments, Inc., conveying 100% interest in Wyoming Oil & Gas Lease Serial Number 94-00294 is a certified copy of said assignment, the original of which was filed with the Wyoming State Land & Farm Loan Office and approved on November, 12, 1996.

Further affiant sayeth not.

Robin Benko

Robin Benko, Land Manager
Ultra Resources, Inc.

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 5th day of August, 1998, before me, the undersigned authority, personally came and appeared ROBIN BENKO, appearing in her capacity as Land Manager of Ultra Resources, Inc., to me personally known to be the identical person whose name is subscribed to the foregoing instrument as the Land Manager of said corporation, and declared and acknowledged to me, Notary, that she executed the same on behalf of said corporation for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC STATE OF CO

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

268722

RECORDED August 13, 1998 11:15 AM
IN BOOK 108 Misc PAGE 463
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Gaston

454 - 459
Were not used

463

ffective 11-86
orm ML-2
Revised 4-96)
iling 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 94-00294 **Assignment Approval Date -** NOV 12 1996

ASSIGNOR, with name and address at, Big West Oil & Gas Inc.
333 West Center Street
North Salt Lake, Utah 84054

eing the owner of 100.00 **percent** Leasehold
(Type Interest: Leasehold/Operating Rights/Overriding Royalty)

nterest in this lease, described in particular if less than the total leasehold as:

Township 33 North, Range 109 West, 6th P.M.
Section 36: NWNE, S2NE, NW, S2

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

1) ASSIGNEE, with name and address at: Energy Investments, Inc.
168 Parkview Avenue
Golden, Colorado 80401

100.00 **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:

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

CERTIFICATE
I Certify that this is a True and Comparative copy of the Original Record on file in the Wyoming State Land Office.
June 26, 1998
Director State Farm Loan Office

and reserving unto ASSIGNOR, 2.33% overriding royalty

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* 1 *of Lease #* 94-00294 *assignment dated* September 26, 1996

SIGNED AS TO TRANSFER AND ACCEPTANCE this 26th day of September 1996.

ASSIGNOR - Big West Oil & Gas Inc.	Assignee (1) - Energy Investments, Inc.
By - Marvin D. Brittenham	By - Stephen P. Chamberlain
Title - V.P.-Exploration	Title - President
Attest - Chris J. Malan, Asst. Secretary	Attest -

REASSIGNMENT RIDER

Assignees accept this Assignment with the express understanding that its provisions will apply to any renewal, exchange, extension or alteration of the basic Lease, in whole or in part. If the Assignees, their successors or assigns, should at any time desire to release, relinquish, surrender, or let expire said Oil and Gas Lease as to all or any portion of the above described lands, Assignees shall notify Assignor in writing at least [redacted] days in advance of the proposed release, relinquishment, surrender, or expiration date. Assignor shall have the right within [redacted] days after receipt of any such notice to elect to take reassignment of said Oil and Gas Leases, or any portion thereof. In the event Assignor so elects, he shall notify Assignees in writing within said [redacted] day period, and Assignees shall reassign to Assignor the interest which Assignees have elected to release, relinquish, surrender, or let expire. However, Assignees shall not be liable to Assignor in damages for any reason in this regard in an amount greater than the bonus paid for this Assignment. Any reassignment under the terms of this paragraph shall be free and clear of all burdens, encumbrances, or outstanding interests other than those existing on the day hereof.

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.

5) 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 assigament.

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.

466

PAID-UP TOP LEASE

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 12th day of February, 1998, to be effective on the 2nd day of November, 1998, by and between David W. Robbins and Jessie Jean Robbins, husband and wife, 333 Old Mill Road #64, Santa Barbara, California 93110

Party of the first part, hereinafter called lessor (whether one or more) and Anschutz Western Corporation, 555 17th Street, Suite 2400, Denver, CO 80202

Party of the second part, hereinafter called lessee.

1. WITNESSETH, That the said lessor, for and in consideration of Ten and no/100---------- DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns the exclusive right of surveying by geological, geophysical and all other methods, mining and operating for oil, gas and associated liquid hydrocarbon and laying pipelines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of Sublette State of Wyoming, described as follows, to wit:

RECORDED August 13 19 98 M 11:20 A
IN BOOK 108 Misc PAGE 466
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kate Page
268723

See Exhibit "A" attached hereto and made a part hereof.

and containing 1,196.53 the effective acres, more or less.

2. It is agreed that this lease shall remain in force for a term of Five (5) years from date, and as long thereafter as oil or gas and associated liquid hydrocarbon, or any of them, is produced from said land by the lessee, its successors and assigns.

3. In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipeline to which lessee may connect its wells, the equal one-eighth (⅛) part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth (⅛) royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is produced.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises, and lessor to have gas free of cost from any well for all stoves and all inside lights in the principal dwelling house on such land during the same time by making his own connections with the well at his own risk and expense.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well, used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

4. If no well be commenced on said land on or before one year from the effective date hereof, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the Wells Fargo Bank La Cumbre Branch at 3804 State Street, Santa Barbara, CA 93105 Bank at or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of

One-thousand one-hundred ninty-six & 53/100s---------- DOLLARS,

which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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, and it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

5. Should any well drilled on the land above-described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, and this lease is not otherwise extended, then and in that event if a well is not commenced, or a recompletion or reworking operations are not initiated before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed upon resumption of the payment of rentals, as above provided in the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force as though there had been no interruption in the rental payment. If a dry hole should be drilled, or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well and/or restoration of production by reworking or recompleting within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results from any of such operations, then as long thereafter as such production continues.

6. If, at any time, either before or after the expiration of the primary term of this lease, there is any well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing gas in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. A shut-in well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the products therefrom were actually being produced and sold or used. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

7. If said lessor owns a lesser interest in the above-described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired. Any interest in the production from the lands described to which the interest of the lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

9. Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipelines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

10. Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease, and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

11. Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 320 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 320 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

12. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above-described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them. Such default shall not operate to defeat or affect this lease insofar as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

13. Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where in[redacted] herewith.

WY-2700-00[redacted]

14. Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county.

15. Lessor here[redacted] and relinquishes a[redacted]ght of homestead, dowe[redacted]y they or either c[redacted]m may have in or to the [redacted].

16. Lessor hereby warrants and agrees to de[redacted]d the title to the lands he[redacted] described, and agrees [redacted]at the lessee shall have th[redacted]ny time to redeem for lessor, by payment, any mortgage, 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.

17. This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

18. This lease is presently subordinate to an existing oil and gas lease dated November 1, 1993, recorded in Book 94, Page 204, Sublette County, Wyoming, the primary term of which expires _____; and lessor covenants and agrees not to further extend, amend or modify said existing lease. After termination of said existing lease, lessee shall be obligated (1) to pay or tender to lessor, or to the credit of lessor in the depository bank hereinabove named in the same manner as provided for the annual delay rental, the sum negotiated as additional bonus. **The term of this lease shall begin immediately on the expiration of the aforesaid lease, herein called "effective date", provided further that if the above described lease is extended beyond its primary term by production or drilling operations as provided therein, this lease shall be null and void and Lessor shall not pay said additional bonus.**

19. Notwithstanding the provisions of paragraph 4 hereof, lessor acknowledges advanced receipt of all delay rentals due during the primary term of this lease. Reference shall continue to be made to paragraph 4; however, to the extent necessary to define lessee's obligations under paragraphs 5 and 6 hereof.

IN WITNESS WHEREOF, We sign the day and year first above written.

X David W Robbins (SEAL)
David W. Robbins (SEAL)
(SEAL)
SS# 139 12 0094 (SEAL)

X Jessie Jean Robbins (SEAL)
Jessie Jean Robbins (SEAL)
(SEAL)
SS# 563 32 0375 (SEAL)

STATE OF _____ }
COUNTY OF _____ } SS.

Arizona, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 28th day of February, 19 98, personally appeared David W. Robbins and Jessie Jean Robbins, 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 executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Ben R. Satterfield
Comm. #1101609
NOTARY PUBLIC - CALIFORNIA
SANTA BARBARA COUNTY
Comm. Exp. June 16, 2000

Ben R. Satterfield
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS.

Colorado, Idaho, Kansas, Montana, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — CORPORATION

BEFORE ME, a Notary Public, in and for said County and State, on this _____ day of _____, 19 _____, personally appeared _____, to me known to be the _____ President of _____ and to be the identical person who subscribed the name of _____ to the foregoing instrument as its _____ President, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

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

My Commission Expires _____
Notary Public

OIL AND GAS LEASE

FROM

TO

Dated _____, 19 _____

Lot _____ Block _____ Addition _____

Section _____ Township _____ Range _____

_____ 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 records of this office.

_____ County Clerk—Register of Deeds.

By _____ Deputy.

WHEN RECORDED, PLEASE RETURN TO
When Recorded Return to:
THE ANSCHUTZ CORPORATION
555 17TH STREET, SUITE 2400
DENVER, COLORADO 80202

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

STATE OF _____ }
COUNTY OF _____ } SS.

On this _____ day of _____, 19 _____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires _____
Notary Public

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated February 12, 1998,
between David W. Robbins and Jessie Jean Robbins, as Lessor,
and Anschutz Western Corporation, as Lessee.

Township 35 North, Range 111 West, 6th P. M.
Section 7: Lot 2 (36.58 acres), SE¼NW¼

Township 35 North, Range 112 West, 6th P. M.
Section 1: Lot 1 (39.99 acres), Lot 2 (39.98 acres), Lot 3 (39.98 acres), SW¼NE¼, E½SW¼ and W½SE¼

Township 36 North, Range 112 West, 6th P. M.
Section 36: All

All in Sublette County, Wyoming,
and containing 1,196.53 acres, more or less

INITIAL FOR IDENTIFICATION

DWR JJR

[redacted] [redacted] [redacted]

CORRECTION OF DESCRIPTION IN LEASE

WHEREAS, all the undersigned, as lessors, did under date of February 12, 1998, make and execute unto Anschutz Western Corporation, as lessee, a certain oil and gas lease, covering certain lands situated in Sublette County, Wyoming, and described in said lease as follows, to-wit:

Township 35 North, Range 111 West, 6th P. M.
Section 7: Lot 2 (36.58 acres), SE¼NW¼

Township 35 North, Range 112 West, 6th P. M.
Section 1: Lot 1 (39.99 acres), Lot 2 (39.98 acres), Lot 3 (39.98 acres), SW¼NE¼, E½SW¼ and W½SE¼

Township 36 North, Range 112 West, 6th P. M.
Section 36: All

Containing 1,196.53 acres, more or less

AND WHEREAS, said description is incomplete and indefinite, and the lands intended to be covered by said lease are more accurately described as follows, to-wit:

Township 35 North, Range 111 West, 6th P. M.
Section 7: Lot 2 (36.58 acres), SE¼NW¼

Township 35 North, Range 112 West, 6th P. M.
Section 1: Lot 1 (39.99 acres), Lot 2 (39.98 acres), Lot 3 (39.98 acres), SW¼NE¼, E½SW¼ and W½SE¼
Section 12: NE¼

Township 36 North, Range 112 West, 6th P. M.
Section 36: All

Containing 1,196.53 acres, more or less

in said County and State:

NOW, THEREFORE, in consideration of the premises, and for the purpose of making the said lease more definite and certain in respect to the identity of the land intended to be covered thereby, we do hereby declare that it was and is our intention to lease for oil and gas purposes the identical tract of land last above described; and we hereby amend said lease in respect to the description of the lands therein, as aforesaid, and ratify and adopt the same as so amended, and grant, lease, let and demise unto the lessee the identical tract of land last above described upon the same terms and conditions of said oil and gas lease as amended hereby.

WITNESS our hands this 20th day of March, 1998.

RECORDED August 13 1998 11:20 AM
IN BOOK 108 Oil & Gas PAGE 469
FEES $ 6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kate Pape
268724

David W. Robbins
David W. Robbins

Jessie Jean Robbins
Jessie Jean Robbins

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

This instrument was acknowledged before me on the 20 day of Mar, 1998, by David W. Robbins and Jessie Jean Robbins, husband and wife.

My commission expires:

MGC1 Ben R. Satterfield Comm. #1101509 NOTARY PUBLIC - CALIFORNIA SANTA BARBARA COUNTY Comm. Exp. June 16, 2000 MGC1

Ben R. Satterfield
Notary Public in and for the State of Ca

Lease No. WY-2700-00005

\\rmexp\rme_vol\aec\tsodia\forms\correcti.doc

WHEN RECORDED, PLEASE RETURN TO
THE ANSCHUTZ CORPORATION
555 17TH STREET, SUITE 2400
DENVER, COLORADO 80202

470

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW129610

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: Double Eagle Petro
   Street: Box 766
   City, State, Zip Code: Casper, WY 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. _____ R. _____ Meridian _____ State _____ County _____

268725

RECORDED August 13, 1998 11:25 AM
IN BOOK 108 OR PAGE 470
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorter

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

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 032ON R. 109OW 06th Meridian WY State Sublette County

sec. 010 E2NE;
011 ALL;
012 ALL;
013 ALL;
014 NE,NENW,NESE;
024 NE,NENW;

Total acres in lease 2440.000
Rental retained $ 3660.00

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)

X ☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by Pamela J. Lewis
(Signing Officer)

Supervisory Land Law Examiner (Title) JUN 29 1993 (Date)

EFFECTIVE DATE OF LEASE JUL 01 1993

(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 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.

Lessee 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.

ASSIGNMENT

268751

RECORDED August 14, 1998 9:50a M
IN BOOK 108 076 PAGE 472
FEES $ 14.00
SUBLETTE COUNTY CLERK
By Cathy Sackett

THE STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

THIS ASSIGNMENT ("Assignment") is made this 15th day of July, 1998, and is effective at 12:01 a.m. MT August 1, 1998 (the "Effective Time") by and between AMOCO PRODUCTION COMPANY, a Delaware corporation, with an office at 1670 Broadway, Denver, Colorado 80202 (herein called "Assignor"), and Wold Oil Properties, Inc. with an office at 139 West Second Street, Suite 200 Casper, Wyoming 82601(herein called "Assignee").

Assignor in consideration of Ten Dollars ($10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN, and DELIVER unto Assignee all of the following:

A. All right, title and interest of Assignor in and to the oil and gas leases described on Exhibit "A" (attached hereto and made a part hereof for all purposes), insofar as said leases cover the lands which are specifically described in Exhibit "A" opposite the designation of said lease (the "Leases") and subject to any restrictions, exceptions, reservations, conditions, limitations, burdens, contracts, agreements and other matters applicable to such lease and interests;

B. All right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil, gas or mineral unitization, pooling, units, operating and communitization agreements, declarations and orders, and in and to the properties covered and the units created thereby, which are appurtenant to the Lease;

C. All right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil and gas sales, processing contracts, casinghead gas contracts, gathering agreements, operating agreements, unit agreements, joint venture agreements, partnership agreements, rights of way easements, permits and surface leases and other contracts, agreements and instruments, insofar as the same are appurtenant to the Lease;

All of the foregoing properties, real, personal, or mixed (contractual or otherwise) described in paragraphs A through C, above, are herein called the "Properties" located in Sublette County, Wyoming.

TO HAVE AND TO HOLD the Properties subject to the following terms and conditions:

1. Assumption of Obligations: Assignee hereby assumes and agrees to perform and be bound by all contractual duties and obligations of Assignor as owner of the Properties to the extent that the same are valid and subsisting on the Effective Time. Assignee shall, as its sole expense, comply with all laws, rules, regulations, orders and ordinances (collectively the "laws") of any governmental authority claiming jurisdiction over the Property, including, but not limited to those laws and regulations pertaining to the abandonment of wells, the plugging of inactive wells, state and federal bonding requirements and the restoration of the surface.

2. Leases and other Contracts and Agreements: This Assignment is made by Assignor and accepted by Assignee subject to all the terms, covenants and conditions of the oil, gas and mineral leases described in Exhibit "A" and to the terms, covenants and conditions of the instruments, contracts and agreements affecting the Properties or production therefrom recorded in Sublette County, Wyoming, and the same shall bind Assignee and Assignee's successors and assigns on and after the Effective Time hereof.

3. No Warranty: THIS ASSIGNMENT IS MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO,

[redacted] [redacted] [redacted]

WARRANTIES OF TITLE, THE WARRANTY OF MERCHANTABILITY OR THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE

4. Indemnities

(a) Indemnification of Assignor: Assignee shall release Assignor from and shall fully protect, indemnify, and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities (including attorneys' fees, costs of litigation and/or investigation and costs associated therewith) (collectively referred to hereafter as "Claims") relating to injury or death of any person or persons, and/or damage to or loss of any Properties or resources, except as specifically provided otherwise in paragraph 4(c) below, arising out of, or connected, directly or indirectly with the ownership or operation of the Properties, or any part thereof, pertaining to the period subsequent to July 31st, 1998 (hereinafter known as the Closing Date); and/or Claims arising out of or connected with the presence of Assignee and/or its representatives on the Properties or at the offices of Assignor or Assignor's agents at any time in connection with this purchase and sale transaction. The indemnity obligation provided herein shall apply regardless of cause or of any negligent acts or omissions of Assignor, its officers, agents, and/or employees.

(b) Indemnification of Assignee: Assignor shall release Assignee from and shall fully protect, indemnify, and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all Claims relating to injury or death of any person or persons, and/or damage to or loss of any Properties or resources, except as specifically provided otherwise in paragraph 4(c) below, arising out of, or connected, directly or indirectly, with the ownership or operation of the Properties, or any part thereof, pertaining to the period prior to the Closing Date regardless of cause or of any negligent acts or omissions of Assignee, its officers, agents, and/or employees.

(c) Assignee's Assumption of Obligations: Assignee shall fully protect, indemnify, defend and hold Assignor, its officers, agents and/or employees harmless against any and all Claims for pollution and/or environmental damage of any kind, any fines or penalties assessed on account of such damage, caused by, arising our of, or in any way incidental to ownership or operations conducted on the Properties, if such Claims are asserted subsequent to the Effective Time, regardless of when the act or omission giving rise thereto occurred and regardless of whether or not arising from, incidental to or the result of Assignor's negligence or fault, or whether or not any liability is imposed upon Assignor as a result of any statute, rule or regulation or theory of strict liability of Assignor, its officers, agents or employees, including without limitation liability under the Comprehensive Environmental Recovery, Compensation and Liability Act, 42 U.S.C. §9601, et seq.

5. Notices: All notices and other communications required, permitted, or desired to be given hereunder must be in writing and may be delivered to a party at the address written hereinabove for such party either in person or by certified or registered U.S. mail (return receipt requested) or by facsimile, telex or telegraph, with all postage or charges fully prepaid. Unless otherwise provided herein, the date of service shall be the date when it is received. Each party has the right to change its address by notifying the other party.

6. Observance of Laws: This Assignment is made by Assignor and accepted by Assignee subject to all applicable laws, ordinances, rules and regulations.

7. Brokers' Fees: Assignor and Assignee each agrees to indemnify and hold the other harmless from and against any claims or causes of action with respect to any commissions, finders' fees, or other remuneration due to any broker, agent or finder claiming by, through, or under such party

8. Governing Law: THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF WYOMING, EXCLUDING ANY CHOICE OF LAW RULES WHICH MAY REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. FORUM AND VENUE SHALL BE EXCLUSIVELY IN A COURT OF COMPETENT JURISDICTION IN DENVER, COLORADO.

9. Waiver: **As partial consideration for the Parties agreeing to enter into this Agreement, the Parties each can and do expressly waive the provisions of the Texas Deceptive Trade Practices - Consumer Protection Act, Article 17.41, *et seq.*, Texas Business and Commerce Code, a law that gives consumers special rights and protections, and all other consumer protection laws of the State of Texas, or any other state, applicable to the proposed transaction that may be waived by the Parties. It is not the intent of the Parties hereto to waive and the Parties shall not waive any applicable law or sub-part thereof which is prohibited by law from being waived. The Parties hereto represent that they have had an adequate opportunity to review the waiver provision contained herein, including the opportunity to submit the same to legal counsel for review and comment, and understand the rights being waived herein.**

10. Successors and Assigns: The terms, covenants and conditions hereof shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns. All terms, covenants and conditions shall be covenants running with the land herein assigned and with each subsequent transfer or assignment thereof.

ASSIGNOR:

AMOCO PRODUCTION COMPANY

By: _____
R. D. Howard, Attorney-in-Fact

ASSIGNEE:

WOLD OIL PROPERTIES, INC.

By: _____
John P. Wold, President

STATE OF COLORADO)
CITY AND)
COUNTY OF DENVER)

This instrument was acknowledged before me this 21st day of July, 1998, by R. D. Howard, as Attorney-in-Fact for AMOCO PRODUCTION COMPANY, a Delaware corporation.

My Commission Expires:
11-21-99

PATRICIA A. BURRELL NOTARY PUBLIC STATE OF COLORADO

Patricia A Burrell
Notary Public

STATE OF Wyoming)
)
COUNTY OF Natrona)

This instrument was acknowledged before me this 27th day of July, 1998, by John P. Wold, as President for WOLD OIL PROPERTIES, INC.

My Commission Expires:
September 1, 2000

BONNY C. SUTTER NOTARY PUBLIC
County of Natrona
State of Wyoming
My Commission Expires Sept. 1, 2000

Bonny C Sutter
Notary Public

EXHIBIT "A"

Sublette County, Wyoming
Page 1 of 1

Attached to and made a part of that certain Assignment dated the 15th day of July, 1998 by and between Amoco Production Company, as Assignor, and Wold Oil Properties, Inc., as Assignee.

AMOCO LEASE NO.:	LPN-612849
SERIAL NO.:	W-38887
LEASE DATE:	April 1, 1973
LESSOR:	United States of America
LESSEE:	Howell Spear
RECORDING DATA:	Book 52, Page 119
LAND DESCRIPTION:	Township 29 North, Range 114 West Section 4: Lot 4, S/2NE/4, SW/4NW/4, S/2 Section 5: Lots 1, 2, 3, S/2N/2, S/2 Containing 1000.90 acres, more or less

AMOCO LEASE NO.:	LPN-613695
SERIAL NO.:	W-49635
LEASE DATE:	April 1, 1975
LESSOR:	United States of America
LESSEE:	Don J. Leeman
RECORDING DATA:	Book 51, Page 402
LAND DESCRIPTION:	Township 29 North, Range 114 West Section 9: SW/4, N/2SE/4, SW/4SE/4 Section 15: W/2 Containing 600.00 acres, more or less

AMOCO LEASE NO.:	LPN-613729
SERIAL NO.:	W-49633
LEASE DATE:	April 1, 1975
LESSOR:	United States of America
LESSEE:	Louise A. Shaffer
RECORDING DATA:	Book 51, Page 379
LAND DESCRIPTION:	Township 29 North, Range 114 West Section 3: Lots 1, 2, 3, 4, S/2N/2, SW/4 Section 4: Lots 1, 2, 3, SE/4NW/4 Containing 523.06 acres, more or less

It is the intent that Amoco Production Company conveys all of Amoco's right, title and interest in and to the leases described hereinabove.

ASSIGNMENT AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

That, the undersigned JAMES C. CORDELL of 223 Whispering Wind, Georgetown, TX 78628, hereinafter referred to as "ASSIGNOR", for and in consideration of the sum of $150.00, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer sell and convey unto DAVID NEHER and MICHELE NEHER, as joint tenants with full right of survivorship, of P.O. Box 4430, Marbleton, Wyoming 83113, hereinafter referred to as "ASSIGNEE", their heirs, successors and assigns, all of Assignor's right, title, and interest in and to the oil and gas leases, interest in minerals, royalty interests and overriding royalty interests which Assignor may have in the properties or interests as set out in Exhibit "A" attached hereto and made a part hereof, together with all personal property, fixtures and improvements on, appurtenant to, or used or obtained by Assignor in connection with the land or wells or with the production, treatment, sale or disposal of hydrocarbons or water produced therefrom or attributable thereto, including without limitation well equipment, casing, tubing, tanks, crude oil, condensate or products placed into storage or into pipelines, gathering systems, power lines, roads, and field processing plants, all other appurtenances thereunto belonging, all in "as is-where is" condition.

To have and to hold the same unto Assignees, Assignees' successors and assigns forever, subject to the terms and provisions contained in the lease, contracts, and assignments relating thereto, and to all laws, rules and regulations of all governmental bodies or agencies having jurisdiction thereof, all of which Assignee hereby assumes insofar as same are applicable to the interest hereby assigned, and further subject to the terms and provisions of all assignments, contracts and provisions through which Assignor acquired its title to said oil and gas leases, interest in minerals, royalty interests and overriding royalty interests, or to which said oil and gas lease and interests are subject.

Executed this 9th day of July, 1998, but shall be effective as of April 1, 1998.

ASSIGNOR:

James C. Cordell
JAMES C. CORDELL

ASSIGNEE:

David Neher
DAVID NEHER

Michele Neher
MICHELE NEHER

268799

RECORDED August 19 1998 1040A M
IN BOOK 108 O & G PAGE 477
FEES $16.00 Mary L Lyda COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Tracey L Hoover

STATE OF Texas)
) ss.
COUNTY OF Williamson)

Subscribed and sworn to before me this 9th day of July, 1998 by James C. Cordell.

WITNESS my hand and official seal.

Notary Public

My commission expires:

2/10/02

MARY ELLEN BILLS
MY COMMISSION EXPIRES
February 10, 2002

STATE OF WYOMING)
) ss.
COUNTY OF SUBLETTE)

Subscribed and sworn to before me this 12th day of August, 1998 by ~~David Neher and~~ Michele Neher.

WITNESS my hand and official seal.

VICKIE BROWN - NOTARY PUBLIC
COUNTY OF SUBLETTE
STATE OF WYOMING
MY COMMISSION EXPIRES 10/19/99

Notary Public

My commission expires: 10/19/99

STATE OF CALIFORNIA)
) ss.
COUNTY OF FRESNO)

Subscribed and sworn to before me this 10th day of August, 1998 by David Neher.

WITNESS my hand and official seal.

Notary Public

My commission expires: 9/11/98

MARC E. SCOTT
COMM. # 1038272
Notary Public — California
FRESNO COUNTY
My Comm. Expires SEP 11 1998

480
504

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale dated _____, 1998 by and between James C. Cordell and David and Michelle Neher covering lands in Sublette County, Wyoming.

LESSOR	LESSEE	LEASE DATE	LEGAL DESCRIPTION
USA W-48192	James W. Haefele	12-1-74	* All of Assignor's interest in Lease Serial No. W-48192 insofar only as same covers the SE/4 NE/4 of Section 23 and the W/2 SE/4 of Section 24, Township 27 North, Range 110 West, Sublette County, Wyoming, from the surface thereof down to, but not below, the stratigraphic equivalent of 14,892 feet beneath the surface as penetrated by the Jefferson Unit #20-24 Well located in the SW/4 Sec. 24-T27N-R110W, Sublette County, Wyoming. This assignment is made subject to the conditions and reservations set forth herein and to those in that certain Farmout Letter Agreement dated June 1, 1982, between Getty Oil Company (as Farmor) and Primary Fuels, Inc. (as Farmee), as amended by Letter Agreement between the same parties dated June 21, 1982, and as amended by Letter Agreement between the same parties dated December 20, 1982. * All of Assignor's interest in Lease Serial No. W-48192 insofar only as same covers the NE/4 NE/4 of Section 23 and the E/2 SE/4 of Section 24, and the N/2 NE/4 Sec. 25, Township 27 North, Range 110 West, Sublette County, Wyoming, from the surface thereof down to, but not below, the stratigraphic equivalent of 14,892 feet beneath the surface as penetrated by the Jefferson Unit #20-24 Well located in the SW/4 Sec. 24-T27N-R110W. Sublette County, Wyoming. This assignment is made subject to the conditions and reservations set forth herein and to those in that certain Farmout Letter Agreement dated June 1, 1982, between Getty Oil Company (as Farmor) and Primary Fuels, Inc. (as Farmee), as amended by Letter Agreement between the same parties dated June 21, 1982, and as amended by Letter Agreement between the same parties dated December 20, 1982.

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale dated _____, 1998 by and between James C. Cordell and David and Michelle Neher covering lands in Sublette County, Wyoming.

LESSOR	LESSEE	LEASE DATE	LEGAL DESCRIPTION
USA W-57811	Fred Goodstein	10-1-77	* T27N-R110W, 6th P.M. Tract I — Sec. 24: N/2 NW/4; N/2 NE/4; and SE/4 NE/4 Tract I — Sec. 24: S/2 NW/4; SW/4 NE/4 Sec. 25: NE/4 NW/4 Tract II — Sec. 25: SE/4 NW/4

*Assignment of Operating Rights Only

48)

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale dated _____, 1998 by and between James C. Cordell and David and Michelle Neher covering lands in Sublette County, Wyoming.

LESSOR	LESSEE	LEASE DATE	LEGAL DESCRIPTION
USA W-49630	Barbara E. Hannifin	4-1-75	T27N-R110W, 6th P.M. Sec. 24: W/2 SW/4 - Shallow Rights Sec. 25: NW/4 NW/4 - Shallow Rights SW/4 NW/4 - Shallow Rights
USA W-0320797	Margaret E. Allen	12-1-65	T27N-R110W, 6th P.M. Sec. 23: E/2 SE/4 Sec. 26: NE/4 NE/4 From the surface of the ground to a depth of 14,892 feet or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, Sublette County, Wyoming. Below 14,892 feet, or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, containing 120 acres, more or less, in Sublette County, Wyoming.
*			T27N-R110W, 6th P.M. Sec. 23: SW/4; W/2 SE/4 Sec. 26: W/2; W/2 E/2; SE/4 NE/4; NE/4 SE/4 From the surface of the ground to a depth of 14,892 feet or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, Sublette County, Wyoming. Below 14,892 feet, or the stratigraphic equivalent of the total depth drilled in the Primary Fuels, Inc., Federal 20-24 Well in Section 24, Township 27 North, Range 110 West, containing 800 acres, more or less, in Sublette County, Wyoming.

482

WY-32560
WY-1132

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-016158

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, Colorado 80234

*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 interest 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 30 North, Range 107 West, 6th PM Section 7: Lots 1,2,3,4, E/2W/2 Township 30 North, Range 108 West, 6th PM Section 25: All Section 26: All Section 34: NE/4, N/2SE/4, N/2NW/4 Section 35: N/2, N/2S/2, S/2SE/4 Containing 2,475.20 acres, M/L Sublette Co., WY	100%	15%	85%	None	Of Record

268851

RECORDED August 24 1998 10:00 AM
IN BOOK 108 OR 6 PAGE 483
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By 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)

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 24 day of July, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.,** to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of the Board of Directors, and that the said instrument is the free act and deed of the said corporation executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 24th day of July, 19 98

Name of Transferor: ULTRA RESOURCES INC.
Please type or print

Transferor: _____
(Signature)

or
Attorney-in-fact: _____
(Signature)
R.G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

Englewood, CO. 80112
(City) (State) (Zip Code)

Executed this 5th day of August, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee: _____
(Signature)

or
Attorney-in-fact: _____
(Signature)
Ralph W. Ponlick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY - 32590

WY-1344

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

TRANSFER OF OPERATING RIGHTS (SUB LEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.
WYW-144993

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)* Lance Oil & Gas Company, I nc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, Colorado 80234

*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 interest 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 31 North, Range 108 West, 6th PM Section 19: Lots 1,2, E/2NW/4	100%	15%	85%	None	Of Record
Township 31 North, Range 108 West, 6th PM Section 19: Lots 3,4, E/2SW/4 Section 30: Lots 1-4, E/2W/2 Section 31: Lots 1-4, E/2W/2 Containing 735.08 acres M/L Sublette Co., WY	66.667%	10%	56.667%	None	Of Record

268852

RECORDED Aug 24 1998 10:00AM
IN BOOK 108 PAGE 485
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

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)

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 24 day of July, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.,** to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of the Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

E. MARKS NOTARY PUBLIC

D Marks
Notary Public

My commission expires:

MY COMMISSION EXPIRES
MARCH 17, 2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 24th day of July, 19 98

Name of Transferor ULTRA RESOURCES INC.
Please type or print

Transferor
or Attorney-in-fact (Signature) R.G. "Jerry" Albertus, President (Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

Englewood, CO. 80112
(City) (State) (Zip Code)

Executed this 6th day of August, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee
or Attorney-in-fact (Signature) Ralph W. Ponfick (Signature)

Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-32591

WY-1126

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-06283

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, Colorado 80234

*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 interest 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 30 North, Range 108 West, 6th PM Section 6: Lots 3,4,5,6,7, E/2SW/4, SE/4NW/4 Section 7: Lots 1,2, E/2NW/4 Containing 377.86 acres, M/L Sublette Co., WY	100%	15%	85%	None	Of Record

268853

RECORDED August 24, 1998 10:00 AM
IN BOOK 108 016 PAGE 487
FEES $ 8.00 Mary L. Kyle COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By 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)

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 24 day of July, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.,** to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 24th day of July, 19 98

Name of Transferor: ULTRA RESOURCES INC.
Please type or print

Transferor or Attorney-in-fact: (Signature)
R.G. "Jerry" Albertus, President

304 Inverness Way South, Suite 295
(Transferor's Address)

Englewood, CO. 80112
(City) (State) (Zip Code)

Executed this 6th day of August, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee or Attorney-in-fact: (Signature)
Ralph W. Ponfick, Attorney-In-Fact

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, (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 (1004-0034), 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

WY-
WY-1139

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.
WYW-08592

TRANSFER OF OPERATING RIGHTS (SUB LEASE) 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)* Lance Oil & Gas Company, Inc.
   Street 12200 N. Pecos Street
   City, State, ZIP Code Denver, CO 80234

*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 interest 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 33 North, Range 109 West, 6th P.M.					
Section 21: S/2S/2	50%	7.5%	42.5%	None	
Section 28: All	50%	7.5%	42.5%	None	
Section 29: N/2N/2NW/4, N/2NW/4NE/4, NW/4NE/4NE/4	30%	4.5%	25.5%	None	
Section 29: S/2NW/4, S/2NW/4NE/4, NE/4NE/4NE/4, S /2N/2,S/2NE/4NE/4, S/2	50%	7.5%	42.5%	None	
Section 32: E/2	50%	7.5%	42.5%	None	
Section 33: All	50%	7.5%	42.5%	None	
Section 34: W/2W/2	50%	7.5%	42.5%	None	

268854

Containing 2,560.00 acres, more or less
Sublette Co., WY

RECORDED August 24 1998 10:00 AM
IN BOOK 108 OF G PAGE 489
FEES $ 8.00 M L L COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

FOR BLM USE ONLY- DO NOT WRITE BELOW THIS LINE

By Cathy Saxton

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

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 7 day of April, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.**, to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Amy Baston
Notary Public

My commission expires:

7/18/2000

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 transfer are located; (c) Transferee's chargeable interest, 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 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 to all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein. Applicable terms and conditions include, but are not limited to, and 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 (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 7th day of April, 19 98

Name of Transferor: ULTRA RESOURCES, INC.
Please type or print

Transferor
(Signature)
or
Attorney-in-fact R. G. "Jerry" Albertus, President
(Signature)

304 Inverness Way South, Suite 295
(Transferor's Address)

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

Executed this 9th day of July, 19 98

LANCE OIL & GAS COMPANY, INC.

Transferee
(Signature)
or
Attorney-in-fact Ralph W. Ponfick
(Signature)

Ralph W. Ponfick, Attorney-in-Fact

BURDEN HOURS STATEMENT

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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

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1989)

PAID-UP
OIL AND GAS LEASE

RECORDED Aug 24 1998 M 2:10p
IN BOOK 108 OR PAGE 491
FEES $ 12.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

268875

THIS AGREEMENT, made and entered into this 31st day of March 1998 by and between

Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as an heir of the Estate of Ann I. Muir, deceased

of 2318 Panoramic Drive, Concord, CA 94520, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permittees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: TOTAL

See Exhibits "A" & "B" attached hereto and made a part hereof

BD

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 760.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from December 29, 1998 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the _____ Bank, at _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefiting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms hereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

x Bonnie DuBois

Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as an heir of the Estate of Ann I. Muir, deceased

SS # 572-68-9085

STATE OF California
COUNTY OF Contra Costa } ss.

INDIVIDUAL

On this 4th day of June, 19 98, before me personally appeared Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as an heir of the Estate of Ann I. Muir, deceased

to me known to be the person described in, and who executed the foregoing instrument, and who acknowledged to me that she executed the same as her free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 4th day of June, 19 98.

My commission expires:

LINDA P. SILVERA
COMM. # 1037508
Notary Public — California
CONTRA COSTA COUNTY
My Comm. Expires AUG 28, 1998

Linda P. Silvera

Notary Public for the State of California residing at 248 Oak Street, Brentwood

STATE OF
COUNTY OF } ss.

CORPORATE

On this day of , 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.

Given under my hand and seal this day of , 19 .

My commission expires:

Notary Public for the State of
residing at

[redacted] [redacted] [redacted]

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 31st day of March, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of March 31, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as heir of Ann I. Muir, deceased
LESSEE: Contex Energy Company
DATED: December 29, 1993, and recorded in Book 96, page 186 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $332.50 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $997.50, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

x Bonnie Du Bois
Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as an heir of the Estate of Ann I. Muir, deceased

LESSEE:

BY: Dennis A. Kaufman
Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated March 31, 1998, by and between Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as an heir of the Estate of Ann I. Muir, deceased, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 24: SW1/4SW1/4
Section 25: W1/2
Section 26: NE1/4NE1/4
Section 35: NE1/4SE1/4
Section 36: W1/2
Sublette County, Wyoming

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 29th day of December, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x Bonnie DuBois

Bonnie Du Bois, a married woman dealing in her sole and separate property, individually and as an heir of the Estate of Ann I. Muir, deceased

RECORDED Aug 24 1998 M
IN BOOK 108 Misc PAGE 492
FEES $6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Tracy L Hoover

300P

268879

QUITCLAIM DEED

LILLIAN STEDMAN GILBERT, an unmarried woman, of King County, Washington, GRANTOR, for and in consideration of TEN DOLLARS ($10.00) and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, CONVEYS AND QUITCLAIMS to LILLIAN STEDMAN GILBERT, of King County, Washington, and JENNIFER ROSE GILBERT and ALICIA ANN GILBERT, both of Santa Barbara County, California, GRANTEES, to hold as joint tenants with full rights of survivorship, and not as tenants in common, all her right, title and interest in and to the following described real estate situate in Sublette County, Wyoming, hereby releasing and waiving all rights under and by virtue of the homestead exemption laws of the State of Wyoming, to-wit:

> A mineral right consisting of all oil and gas in 150 acres of land lying and being above or east of the line of survey of the High Line Canal as of record in the office of the State Engineer of Wyoming and further being more particularly described as the oil and gas only in those certain portions of the following described tracts of land which lie east or above the line of survey of the High Line Canal, to wit: W½SW¼, Section 34, Township 29 North, Range 111 West; Lot 2 SE¼NW¼ & W½SW¼, Section 5; E½E½, Section 7; E½SW¼, Section 18; Lot 1, Section 19, Township 28 North, Range 111 West in Sublette County, Wyoming.

WITNESS my hand this 7th day of April 1998.

Lillian Stedman Gilbert
LILLIAN STEDMAN GILBERT

STATE OF WASHINGTON)
)ss
COUNTY OF KING)

The foregoing instrument was acknowledged before me this 7th day of April 1998 by LILLIAN STEDMAN GILBERT.

Witness my hand and official seal.

Yolanda Crawford
Notary Public

My Commission expires:
May 29, 1999

Mailing address of the grantees: 13745 N.E. 93rd Court, Redmond, WA 98052

Form 3000-3
(October 1992)

ENGLEWOOD CO 80112
304 INVERNESS WAY S 295
DENVER WELLBORE REV INC

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WY-1215

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-127194

Lease Effective Date
(Anniversary Date)
7/1/92

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Ultra Resources Inc. 56.667%
   Street 304 Inverness Way South, Suite 295
   City, State, ZIP Code Englewood, CO. 80112

*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 interest 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 PM Section 3: Lots 1-4 Section 14: S/2SW/4 Containing 240.08 acres M/L Sublette Co., WY 268915 9:40a RECORDED Aug. 26 1998 M IN BOOK 108 ORG PAGE 496 FEES $8.00 COUNTY CLERK SUBLETTE COUNTY, PINEDALE, WYOMING By Cathy Saxton This assigned interest is to bear its proportinate party of both the 5.5% Overriding Royalty interest reserved by Liberty Petroleum and the 5% Overriding Royalty assigned to Fossils etal by Ultra.	66.667%	66.667%	None	None	10.5%

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.

Lance Oil & Gas Company, Inc. 10.0%
12200 N. Pecos Street
Denver, CO. 80234

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 30 day of July 1998, before me, the undersigned authority, personally came and appeared Arthur L. Angeli as Attorney-in-Fact of Ultra Petroleum (USA) Inc to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said Attorney-in-Fact of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

I cert

Executed this _____ day of _____, 19 98

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 6th day of August, 19 98

Lance Oil & Gas Company, Inc.

Assignee Ralph W. Pontick
(Signature)

or

Attorney-in-fact _____
(Signature)

Ralph W. Pontick, Attorney-in-Fact

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 July, 19 98

Name of Assignor as shown on current lease Ultra Petroleum (USA) Inc
Please type or print

Assignor Arthur L. Angeli
(Signature)

or

~~Attorney-in-fact~~ Arthur L. Angeli
(Signature)

Attorney-in-Fact

304 Inverness Way South, Suite 295
(Assignor's Address)

Englewood, CO. 80112
(City) (State) (Zip Code)

Executed this 3 day of August, 19 98

Ultra Resources Inc.

Assignee _____
(Signature)

or

~~Attorney-in-fact~~ R.G."Jerry" Albertus
(Signature)

President

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

ULTRA PETROLEUM USA INC.
304 INVERNESS WAY S., STE. 295
ENGLEWOOD, CO 80112

ASSIGNMENT OF OIL AND GAS LEASE

Big West Oil & Gas Inc., 333 West Center Street, North Salt Lake, Utah 84054, hereinafter called "Assignor", for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer and convey unto Dual Resources, Inc., 475 17th Street, Suite 980, Denver, Colorado 80202, hereinafter called "Assignee", all of Assignor's right, title and interest in and to the certain oil and gas lease described as follows:

LEASE NUMBER:	WY578004
LEASE DATE:	October 3, 1994
LESSOR:	Paul C. Hagenstein and Bette Ann Hagenstein, husband and wife, and as tennants in common
LESSEE:	Dual Resources, Inc.
BOOK/PAGE	100/576
COUNTY:	Sublette
DESCRIPTION:	Township 33 North, Range 109 West, 6th P.M. Section 14: W2SE, E2SW Section 22: NE Section 23: N2, and that part of the E2SE Section 24: SW Containing 873.81 acres, more or less

This assignment is made without warranty of title, either expressed or implied, and is made:

1. Subject to all royalties, overriding royalties and other burdens upon the lease existing as of the date hereof; and

2. Subject to all provisions of the lease.

This Assignment shall inure to the benefit of and be binding upon the heirs, devisees, legal representatives, successors and assigns of the parties hereto.

Executed this 14th day of August, 1996.

BIG WEST OIL & GAS INC.

By: _____

Marvin D. Brittenham, Vice President-Exploration

"Assignor"

DUAL RESOURCES, INC.

By: _____

Title: PRESIDENT

"Assignee"

268989

RECORDED August 31, 1998 8:35AM
IN BOOK 108 O&G PAGE 498
FEES $8.00 _____ COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

STATE OF UTAH)
) ss.
COUNTY OF DAVIS)

On this 14th day of August, 1996, personally appeared before me, Marvin D. Brittenham, who, being by me duly sworn, did say that he is the Vice President-Exploration of Big West Oil & Gas Inc., a Utah corporation, and that said instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and said Marvin D. Brittenham acknowledged to me that said corporation executed the same.

My commission expires:

7.20.97

NOTARY PUBLIC
STATE OF UTAH
My Commission Expires
July 20, 1997
LaVonne J. Garrison-Stringer
333 West Center Street
North Salt Lake, Utah 84054

LaVonne Garrison-Stringer
Notary Public

Residing at North Salt Lake, UT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1996, by _____ as _____ of Dual Resources, Inc., a corporation.

My commission expires:

_____

_____
Notary Public

Business Address:

_____

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

ROBIN BENKO, being first duly sworn, deposes and say:

That I am of lawful age and reside in Denver County, State of Colorado. That I am Land Manager of Ultra Resources Inc., 304 Inverness Way South, Suite 295, Englewood, Colorado 80112.

That the attached Assignment of Oil & Gas Leases dated August 14, 1996 from Big West Oil & Gas, Inc. to Dual Resources, Inc. and conveying an interest in Paul C. Hagenstein and Bette Ann Hagenstein Oil & Gas Lease is an originally signed copy by both Marvin D. Brittenham, Vice President of Big West Oil & Gas, Inc. and Mark S. Wallace President of Dual Resources, Inc.

ROBIN BENKO

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on the 3rd day of August, 1998, before me the undersigned authority, personally came and appeared ROBIN BENKO, appearing in her capacity as Land Manager of Ultra Resources Inc. to me personally known to be the identical person whose name is subscribed to the foregoing instrument as the said Land Manager of said corporation, and declared and acknowledged to me, Notary, that she executed the same of behalf of said corporation for the uses, purposes and benefits therein expressed.

Notary Public

My Commission Expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

500

ASSIGNMENT OF OIL AND GAS LEASES

Big West Oil & Gas Inc., 333 West Center Street, North Salt Lake, Utah 84054, hereinafter called "Assignor", for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby assign, transfer and convey unto Energy Investments, Inc., 475 17th Street, Suite 980, Denver, Colorado 80202, hereinafter called "Assignee", all of Assignor's right, title and interest in and to the certain oil and gas lease described as follows:

LEASE NUMBER:	WY578006
LEASE DATE:	October 1, 1994
LESSOR:	Margaret Mocroft Family Limited Partnership
LESSEE:	Energy Investments, Inc.
BOOK/PAGE	100/579
COUNTY:	Sublette
DESCRIPTION:	Township 33 North, Range 109 West, 6th P.M. Section 27: NE, E2NW, NWNW, N2SE Containing 360 acres, more or less

LEASE NUMBER:	WY578007
LEASE DATE:	October 1, 1994
LESSOR:	Margaret Mocroft Family Limited Partnership
LESSEE:	Energy Investments, Inc.
BOOK/PAGE	100/583
COUNTY:	Sublette
DESCRIPTION:	Township 33 North, Range 109 West, 6th P.M. Section 22: S2 Containing 320 acres, more or less

LEASE NUMBER:	WY578008
LEASE DATE:	October 1, 1994
LESSOR:	Margaret Mocroft Family Limited Partnership
LESSEE:	Energy Investments, Inc.
BOOK/PAGE	100/587
COUNTY:	Sublette
DESCRIPTION:	Township 33 North, Range 109 West, 6th P.M. Section 26: SW Section 35: N2NW, NE, SENW Containing 440 acres, more or less

268990

RECORDED Aug. 31 1998 8:35AM
IN BOOK 108 OF O PAGE 500
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sutton

[redacted] [redacted] [redacted]

LEASE NUMBER: WY578009

LEASE DATE: October 1, 1994

LESSOR: Margaret Mocroft Family Limited Partnership

LESSEE: Energy Investments, Inc.

BOOK/PAGE 100/591

COUNTY: Sublette

DESCRIPTION: Township 33 North, Range 109 West, 6th P.M.
Section 25: SW, W2SE
Section 26: E2SE, SWSE less and except certain tracts

Containing 334.66 acres, more or less

LEASE NUMBER: WY578010

LEASE DATE: October 1, 1994

LESSOR: Margaret Mocroft Family Limited Partnership

LESSEE: Energy Investments, Inc.

BOOK/PAGE 100/595

COUNTY: Sublette

DESCRIPTION: Township 33 North, Range 109 West, 6th P.M.
Section 15: SW
Section 22: NW
Section 21: E2NE

Containing 400 acres, more or less

This assignment is made without warranty of title, either expressed or implied, and is made:

1. Subject to all royalties, overriding royalties and other burdens upon the lease existing as of the date hereof; and

2. Subject to all provisions of the lease.

This Assignment shall inure to the benefit of and be binding upon the heirs, devisees, legal representatives, successors and assigns of the parties hereto.

Executed this 14th day of August, 1996.

BIG WEST OIL & GAS INC.

By: _____ VP
Marvin D. Brittenham, Vice President-Exploration

"Assignor"

ENERGY INVESTMENTS, INC.

By: _____

Title: President

"Assignee"

[illegible]

STATE OF UTAH)
) ss.
COUNTY OF DAVIS)

On this 14th day of August, 1996, personally appeared before me, Marvin D. Brittenham, who, being by me duly sworn, did say that he is the Vice President-Exploration of Big West Oil & Gas Inc., a Utah corporation, and that said instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and said Marvin D. Brittenham acknowledged to me that said corporation executed the same.

My commission expires:

7-20-97

NOTARY PUBLIC
STATE OF UTAH
My Commission Expires
July 20, 1997
LaVonne J. Garrison-Stringer
333 West Center Street
North Salt Lake, Utah 84054

LaVonne J. Garrison Stringer
Notary Public

Residing at North Salt Lake UT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 1996, by _____ as _____ of Energy Investments, Inc., a corporation.

My commission expires:

_____

_____
Notary Public

Business Address:

_____

_____

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

ROBIN BENKO, being first duly sworn, deposes and say:

That I am of lawful age and reside in Denver County, State of Colorado. That I am Land Manager of Ultra Resources Inc., 304 Inverness Way South, Suite 295, Englewood, Colorado 80112.

That the attached Assignment of Oil & Gas Leases dated August 14, 1996 from Big West Oil & Gas, Inc. to Energy Investments, Inc. and conveying an interest in Five (5) Margaret Mocroft Family Limited Partnership Leases, is an originally signed copy by both Marvin D. Brittenham, Vice President of Big West Oil & Gas, Inc. and Stephen P. Chamberlain, President of Energy Investments, Inc.

ROBIN BENKO

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on the 3rd day of August, 1998, before me the undersigned authority, personally came and appeared ROBIN BENKO, appearing in her capacity as Land Manager of Ultra Resources Inc. to me personally known to be the identical person whose name is subscribed to the foregoing instrument as the said Land Manager of said corporation, and declared and acknowledged to me, Notary, that she executed the same of behalf of said corporation for the uses, purposes and benefits therein expressed.

Notary Public

My Commission Expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

[redacted] [redacted] [redacted]

ASSIGNMENT OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, CONTEX ENERGY COMPANY, of 1645 Court Place, Suite 212, Denver, CO 80202, hereinafter called "Assignor" for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration to it paid by HS RESOURCES, INC. of 1999 Broadway, Suite 3600, Denver, CO 80202, the receipt and sufficiency of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey unto the said HS RESOURCES, INC., hereinafter called "Assignee", its successors and assigns, the following Oil and Gas Lease, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said lease covers the lands identified and described therein situated in Sublette County, Wyoming, to wit:

Lessor:	USA, Federal Lease No. WYW-145804
Lessee:	Contex Energy Company
Dated:	effective August 1, 1998
Recorded:	Filed in records of the U. S. Dept of the Interior, BLM
Covering:	TOWNSHIP 35 NORTH, RANGE 110 WEST, 6th P.M. Section 15: All Section 22: NE, NWNW Section 30: E2SW, NWSE containing 960.00 acres, more or less

Reference is hereby made to said lease, and the filing thereof in the records of the U. S. Department of the Interior, Bureau of Land Management, for further description and all other lawful purposes.

TO HAVE AND TO HOLD, the leasehold estates, interests, rights, and property hereby assigned and conveyed unto the said Assignee herein, its successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said leases, and Assignee by acceptance hereof, agrees to comply with and hereby assumes all of the express and implied covenants and obligations of the original lessee under said lease.

And for the consideration aforesaid, the Assignor for itself and its successors and assigns, does covenant with said Assignee, its successors and assigns, that Assignor is the lawful owner of said leasehold estate and property herein assigned, and that Assignor has good right and authority to sell and convey same, that said rights, interests and property are free and clear from all liens and encumbrances, and that Assignor, its successors and assigns, will warrant and defend the same against the lawful claims and demands of all persons whomsoever claiming or to claim the same or any part thereof, by, through or under Assignor, but not otherwise.

IN WITNESS WHEREOF, this instrument is executed this the 31st day of July, 1998.

CONTEX ENERGY COMPANY

269022

RECORDED Aug. 31, 1998 3:50 p.m.
IN BOOK 108 Misc PAGE 503
FEES $6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sexton

by _____
Gary Butler, President

STATE OF COLORADO
COUNTY OF DENVER

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Gary Butler, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office, this the 31st day of July, 1998.

NOTARY PUBLIC STATE OF COLORADO

My Commission Expires: July 11, 1999

_____
Notary Public: John F. Kelly
Address: 10135 W. Arbor Place
Littleton, CO 80127

RECEIVED
MAY - 9 1952
Bureau of Land Management
Land and Survey Office
Glenrock, Wyoming

Form approved.
Budget Bureau No. 42-R58.1.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Office 015317
Serial No.
Receipt No.

36955

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive 5-Year Public Domain Lease)

THIS OFFER WILL BE REJECTED AND RETURNED TO THE OFFEROR AND WILL AFFORD THE OFFEROR NO PRIORITY IF IT IS NOT PROPERLY FILLED IN AND EXECUTED OR IF IT IS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS OR PAYMENTS. SEE ITEM 9 OF GENERAL INSTRUCTIONS
(Fill in as a typewriter or print plainly in ink and sign in ink)

1. Mr. R. L. Manning

P. O. Address 318 Continental Oil Bldg., Denver, Colorado

hereby offers to lease all or any of the lands described in item 2 that are available for lease, pursuant and subject to the terms and provisions of the act of February 25, 1920 (41 Stat. 437, 30 U. S. C. sec. 181), as amended, hereinafter referred to as the act, and to all reasonable regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

2. Land requested	3. Land included in lease (Not to be filled in by Offeror)
Wyoming (State) Sublette (County)	WYOMING (State) SUBLETTE (County)
T. 33N. R. 109W 6th P.M. Meridian	T. 33 N., R. 109 W., 6th P.M. Meridian
Section 34: E/2 W/2; W/2 E/2	sec. 34, W½E½, E½W½;
T 32N R 109W 6th P.M.	T. 32 N., R. 109 W.,
Section 4: Lots 3 & 4; SW/4	sec. 4, lots 3, 4, SW¼;
Section 9: All	sec. 9, all;
Section 15: W/2	sec. 15, W½;
Section 21: E/2	sec. 21, NE¼;
Section 22: All	sec. 22, N½;
2483.13 Total Area 2482.12 Acres	Total Area 2003.13 Acres
	Rental retained $ 1002.00

1:55p
RECORDED Sept. 1, 1998 M
IN BOOK 108 O46 PAGE 504
FEES $8.00
SUBLETTE COUNTY CLERK
By Cathy Zucker
869032

IVE-21-on tract N°22 " "

4. Amount remitted: Filing fee $10, Rental $ 1,246.50; Total $ 1,256.50 — $244.50 surplus

5. Undersigned certifies as follows:
(a) Offeror is a citizen of the United States. Native born Yes Naturalized Corporation or other legal entity (specify what kind): Individual

(b) Offeror's other interests direct and indirect in oil and gas leases and applications or offers therefor in the same State do not exceed 15,360 chargeable acres. (c) Offeror accepts as a part of this lease, to the extent applicable, the Reclamation, and Forest stipulations provided for in 43 CFR 191.6. (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as shown by statements made or referred to herein). (e) Offeror has described all surveyed lands by legal subdivisions and unsurveyed lands by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field at the time the offer is filed.

7. It is hereby certified that the statements made herein are true, complete and correct to the best of offeror's knowledge and belief, and are made in good faith.

IN WITNESS WHEREOF, Offeror has duly executed this instrument this 6th day of May 1952.

Witnesses
X [illegible] 121 So. Holly Denver Colo. (Name and address)
R. L. Manning (Lessee signature)
(Name and address)
(Lessee signature)
(Attorney-in-fact)

A lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA
By [signature] MAY 29 1952 (Signing officer)
Effective date of lease JUN 1 1952
Manager, Land and Survey Office (Title)

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 0 6 1998
BUREAU OF LAND MANAGEMENT

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.

This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form, in accordance with the provisions of 43 CFR 189.43 (a).
16—69257-6

LEASE TERMS

Section 1. *Rights of lessee.*—The lessee is granted the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits, except helium gas, in the lands leased, together with the right to construct and maintain thereupon, all works, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, for a period of 5 years, and as long thereafter as oil or gas is produced in paying quantities, subject to any valid agreement heretofore or hereafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto where inconsistent with the terms of this lease.

Sec. 2. The lessee agrees:

(a) *Bonds.*—(1) To file any bond required by this lease and the regulations and orders made a part of this lease or to comply on the land under this lease. (2) To maintain any bond furnished by the lessee as a condition for the issuance of this lease. (3) To furnish a bond in a sum double the amount of $1 per acre specified, but not less than $1,000 nor more than $5,000, upon the extension of any part of the leased land within the known geologic structure of a producing oil or gas field. (4) To furnish prior to beginning of drilling operations and maintain at all times thereafter as required by the lessor a bond in the penal sum of $5,000 with approved corporate surety, or with deposit of United States bonds as surety therefor, conditioned upon compliance with the terms of this lease, unless a bond in this amount is already being maintained or unless such a bond furnished prior to operation of the lease is exempted. (5) Should a general lessee fail to furnish and maintain a bond in the penal sum of not less than $1,000 in those cases in which a bond is required by law (or the portion of the owners of portion shall). (6) In all other cases, subject to bond in not otherwise required, to furnish not less than $500 bond before the first date of the next general contract period. (7) Where consideration (or consideration with the lessor determines) has not been given for the lease, or where the lessee determines, that such consideration may be commercially discharged with, by agreement, bond such above except rental not less than 30 days prior to the date, in lieu of any of the bonds described herein, the lessee may file such other bond as the regulations may provide.

(b) *Cooperative or unit plan.*—Within 30 days of demand, or, if the leased land is committed prior to the application, by land to commit such plan, to subscribe thereto, or, pursuant to, and to operate under such reasonable cooperative or unit plans for the development and operation of the area, field, or pool, as may theretofore have been or may thereafter be approved by the Secretary, embracing the lands included in the lease as the Secretary may determine to be practicable and necessary or advisable, which plan shall adequately protect the rights of all parties in interest, including the United States.

(c) *Use of land.*—(1) To drill and produce all wells necessary to protect the leased land from drainage or the premises on lands not the property of the lessee, or to which the lessee has not been granted a right to drill, or on which the lessee has not been granted a right to produce, as may be directed by the Secretary, to maintain the said wells in accordance with good oil and gas well practice, subject to the economic limitations imposed by the primary term of the lease; and to carry on all operations hereunder in a manner to avoid unnecessary damage to the natural resources of the area, including the land surface, to the satisfaction of the Secretary. (2) To use all reasonable precautions to prevent waste of oil or gas developed in the land, or the entrance of water through drainage in the strata penetrated by the wells to the productive sands or coal seams, to the destruction or injury of the oil or gas deposits, to the preservation of the property in a good state of repair and working condition, to the satisfaction of the lessor, to drill and produce wells in conformity with any system of well spacing or production limitations affecting the field or area in which the leased lands are situated, which is authorized and sanctioned by applicable law or by the Secretary of the Interior, and (3) promptly after due notice in writing to drill and produce such other wells as the Secretary of the Interior may reasonably require in order that the leased premises may be properly and timely developed and produced in accordance with good operating practice.

(d) *Rentals and royalties.*—(1) To pay royalty and royalties in amount or value of production removed or sold from the leased lands as follows:

Rentals.—To pay the lessor in advance as annual rental at the following rates:

(a) If the lands are wholly outside the known geologic structure of a producing oil or gas field:
- (1) For the first lease year, a rental of 25 cents per acre or fraction thereof, or if the lands are in Alaska, 25 cents per acre or fraction thereof.
- (2) For the second and third lease years, no rental.
- (3) For the fourth and fifth years, 50 cents per acre or fraction thereof.
- (4) For the sixth and each succeeding year, 50 cents per acre or fraction thereof, or if the lands are in Alaska, $1 cents per acre or fraction thereof.

(b) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field:
- (1) Beginning with the first lease year after 90 days' notice that all or part of the land is included in such a structure and for each year thereafter, prior to a discovery of oil or gas on the lands leased, $1 per acre or fraction thereof.
- (2) If this lease is committed to an approved cooperative or unit plan which includes a well capable of producing oil or gas and contains a general provision for allocation of production, the rental specified for the respective lease years in subparagraph (a) of this section, shall apply to the acreage not within a participating area, except that the rental for the second and the third lease years for such acreage shall be $2 cents per acre or fraction thereof.

Minimum royalty.—Commencing with the lease year beginning on or after a discovery on the leased land, in any year the lessee is not entitled a minimum royalty of $1 per acre or fraction thereof at the expiration of each lease year, or the difference between the actual royalty paid during the year if less than $1 per acre, and the prescribed minimum royalty of $1 per acre, provided that if this lease is unitized, the minimum royalty shall be payable only on the participating acreage, and rental shall be payable on the nonparticipating acreage as provided in subparagraph (b) (2) above.

Royalty on production.—To pay the lessor 12½ percent royalty on the production removed or sold from the leased lands computed in accordance with the Oil and Gas Operating Regulations (30 CFR Pt. 221). *Provided*, however, That if this lease covers lands in Alaska and the lessee drills and makes the first discovery of oil or gas in commercial quantities in any producing structure, the royalty on all production hereunder shall be 5 percent for 10 years following the date of such discovery, and thereafter the royalty rate shall be 12½ percent. If this lease is committed to an approved unit or cooperative plan hereby which such a discovery is made, the 5-percent rate for 10 years following such discovery shall, for the purposes of computing royalty due the United States, inure to the benefit of all the land in which an allocation is made under such plan.

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gasoline, and other products obtained from gas, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters and, whenever appropriate, after notice and opportunity to be heard.

(3) When paid in value, such royalties on production shall be due and payable monthly on the last day of the calendar month next following the calendar month in which produced. When paid in amount of production, such royalty products shall be delivered at reasonable conditions on the premises where produced without cost to lessor, unless otherwise agreed to by the parties hereto, at such times and in such tanks provided by the lessor as reasonably may be required by the lessor, but in no case shall the lessor be required to hold such royalty oil or other products in storage beyond the last day of the calendar month next following the calendar month in which produced nor be responsible or held liable for the loss or destruction of royalty oil or other products in storage from causes over which he has no control.

(4) Except as otherwise provided herein, royalties may be reduced, suspended, or royalties on the entire leasehold, or any portion thereof, suspended, and royalties may be reduced if the Secretary of the Interior finds that, for the purpose of encouraging the greatest ultimate recovery of oil or gas and in the interest of conservation of natural resources, it is necessary, in his judgment, to do so in order to promote development, or he finds that the lease cannot be reasonably operated under the terms fixed herein.

(e) *Payments.*—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, to the order of the Treasurer of the United States, such payments to be conformed to the manager of the land office in the district in which the lands are located or to the Director of the Bureau of Land Management if there is no land office in the State in which the lands are located.

(f) *Contracts for disposal of products.*—To file with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract, or evidence of other arrangement, for the sale or disposal of oil and gas, natural gasoline, and other products of the leased lands. *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, including, but not limited to, provisions relating to royalty, posting, supplying to lessor, and the marketing of competitive reputation that are based on a minimum valuation and in accordance with the Oil and Gas Operating Regulations.

(g) *Statements, plats and reports.*—(1) Such plans and in such form as the lessor may prescribe, to furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost, a plat showing developments and improvements on the leased lands, and a report with respect to methods of operation, conservation, and waste.

(2) *Well records.*—To keep a daily drilling record, a log, and complete information on all wells penetrating said lands in form acceptable to or prescribed by the lessor of all wells drilled on the leased lands, and an accurate record of all subsurface investigations affecting said lands, and to furnish them, or copies thereof, to the lessor when required. All information obtained under this paragraph, unless the consent of lessee, shall not be open to inspection by the public until the expiration of the lease.

(3) *Inspection.*—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(h) *Diligence, prevention of waste, health and safety of workmen.*—To exercise reasonable diligence in drilling and producing the wells hereby provided for unless consent to suspend operations temporarily is granted by the lessor; to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to cause measures or other mineral deposits, for conservation of gas except, for the preservation and conservation of the property for future productive operations, and for the health and safety of workmen and employees; to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any prior lease or permit upon which the right to this lease was predicated before abandoning the permit to carry out an extension of the leases all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purposes of such orders at the lessee's cost: *Provided*, That the lessee shall not be held responsible for delays or casualties occasioned by causes beyond lessee's control.

(i) *Taxes and assessments.*—*Payment of purchases.*—To pay when due, all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, oil and gas produced from the leased hereunder, or other rights, property, or assets of the lessee; to accord all workmen and employees complete freedom of purchase, and to pay all wages due workmen and employees at least twice each month in the lawful money of the United States.

(j) *Nondiscrimination.*—Not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin, and to require an identical provision to be included in all subcontracts.

(m) *Assignment of oil and gas lease or interest therein.*—As required by applicable law, to file for approval within 90 days from the date of final execution by the lessee of any transfer made of this lease, or any interest therein, together with a statement of record title, working or royalty interests, operating agreements and assignments, such instruments to take effect upon the final approval by the Director, Bureau of Land Management, as of the first day of the month following the date of filing in the proper land office.

(n) *Pipelines to purchase or convey at reasonable rates and without discrimination.*—If owner, or operator, or owner of a controlling interest in any pipeline or of any company operating the same which may be permitted reasonable to the oil or gas derived from lands under this lease, to accept and convey said oil or gas, or a proportion of such products, to purchasers at reasonable rates and without discrimination the oil or gas of the Government or of any citizen or company not the owner of any pipeline, operating a lease or purchasing oil or gas, natural gasoline, or other products under the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913, 30 U. S. C. sec. 351).

(o) *Lands patented with oil and gas deposits reserved to the United States.*—To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the laws reserving to the United States the deposits of oil and gas therein, subject to such conditions as may be required by the lessor reserving such oil or gas.

(p) *Reserved or segregated lands.*—If any of the land included in this lease is embraced in a reservation or segregated for any purpose, to conduct operations thereunder in conformity with such requirements as may be made by the Director, Bureau of Land Management, for the protection and use of the land for the purposes for which it was reserved or segregated, so far as may be consistent with the use of the land for the purposes of this lease, which latter shall be dominant or the dominant use unless otherwise provided herein or supervised stipulated.

(q) *Protection of surface, natural resources and improvements.*—To take such reasonable steps as may be needed to prevent operations from unnecessarily: (1) Causing or contributing to soil erosion or damaging any forest and timber growth thereon, (2) polluting the waters of reservoirs, springs, streams or wells, (3) damaging crops, including forage, timber, or improvements of a surface owner, or (4) damaging crops improvements whether owned by the United States or by its grazing permittees or lessees; and upon abandonment of operations, as far as can reasonably be done, to restore the surface to its former condition. The lessor may prescribe the steps to be taken and precautions to be made with respect to lands of the United States and improvements thereon.

(r) *Overriding royalties.*—Not to create overriding royalties in excess of five percent except as otherwise authorized by the regulations.

(s) *Bulkier premises in case of forfeiture.*—To deliver up to the lessor in good order and condition the land leased including all improvements which are necessary for the preservation of producing wells.

Sec. 3. The lessor reserves:

(a) *Easements and rights-of-way.*—The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the lands leased, created, or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in the act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) *Disposition of surface.*—The right to lease, sell, or otherwise dispose of the surface of the leased lands under existing law or laws hereafter enacted, insofar as said surface is not necessary for the use of the lessee in the extraction and removal of the oil and gas therein, or to dispose of any resources in such lands which will not unreasonably interfere with operations under this lease.

(c) *Monopoly and fair prices.*—Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to prevent the interests of the United States, to prevent monopoly, and to safeguard the public welfare.

(d) *Minerals.*—Pursuant to section 1 of the act, and section 1 of the act of March 8, 1927 (44 Stat. 1347), as amended, the ownership and the right to extract helium from all gas produced under this lease, subject to such rules and regulations as shall be prescribed by the Secretary of the Interior. In case the lessee elects to take the helium the lessee shall deliver all gas containing same, or portion thereof declared, to the lessor at gas rates on the leased premises in the manner reserved by the lessor, for the extraction of the helium in such plant or extraction works but that purpose as the lessor may provide, whereupon the residue shall be returned to the lessee with no substantial delay in the delivery of gas produced from the well to the purchaser thereof. The lessee shall not suffer a diminution of value of the gas from which the helium has been extracted, or loss otherwise, for which he is not reasonably compensated, save for the value of the helium extracted. The lessor further reserves the right to erect, maintain, and operate any and all extraction works and other equipment necessary for the extraction of helium on the premises leased.

(e) *Taking of royalties.*—All rights pursuant to section 36 of the act, to take royalties in payment or in value of production.

(f) *Coning.*—All rights pursuant to section 39 of the act to purchase coning, and lease or operate valuable water wells.

(g) *Fissionable materials.*—Pursuant to the provisions of section 5 (b) (2) of the act of August 1, 1946 (60 Stat. 754, 760; 42 U. S. C. 1801, 1805), all uranium, thorium, and other materials determined to be peculiarly essential to the production of fissionable materials, contained in whatever concentration, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine and remove the same, making just compensation for any damage or injury occasioned thereby.

Sec. 4. *Drilling and producing restrictions.*—It is agreed that the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease shall be subject to control in the public interest by the Secretary of the Interior, and in the exercise of his judgment the Secretary may take into consideration, among other things, Federal laws, State laws, and regulations issued thereunder, or lawful agreements among operators regulating either drilling or production, or both. After application, the Secretary of the Interior, or any person, association, or State or Federal officer or agency is authorized to the said plan, may alter or modify from time to time, the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease.

Sec. 5. *Surrender and termination of lease.*—The lessee may surrender this lease or any legal subdivision thereof by filing in the proper land office a written relinquishment, in triplicate, which shall be effective as of the date of filing subject to the continued obligation of the lessee and his surety to make payment of all unpaid rentals and royalties and to plug all wells on the land to be relinquished in addition for suspension or abandonment in accordance with the applicable lease terms and regulations.

Sec. 6. *Purchase of materials, etc., on termination of lease.*—Upon the expiration of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools, and materials other than improvements needed for producing wells. Any materials, tools, appliances, machinery, structures, and equipment subject to removal as above provided, which are allowed to remain on the leased lands shall become the property of the lessor on expiration of the 90-day period, or such extending thereof as may be granted thereafter, but otherwise thereafter said materials, tools, appliances, machinery, structures, and equipment shall become the property of the lessee on expiration of the 90-day period

506

No. 517B. Reproduced by Bradford-Robinson Ptg. Co., 1614-46 Stout St., Denver, Colo.
Form No. 4-1175
(July 1951)

RECEIVED
APR - 6 1953
Land and Survey Office
Cheyenne, Wyoming

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOT TO BE FILLED IN BY LESSEE
Receipt No. .....
The following to be filled in by land office when new serial number is required:
New Serial No. .....

Office Wyoming
Serial No. 015317
Date of Lease June 1, 1952

ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

The undersigned, as owner of record title interest as hereinafter specified in the oil and gas lease designated above,

for good and valuable consideration does hereby assign to PATRICIA GAYLORD ANDERSON
(Name and address)

c/o Post Office Box 660, Roswell, New Mexico

the right, title, and interest in and to the lands embraced in such lease as specified below, giving and granting to assignee rights and privileges as lessee in such lands, to the extent indicated, subject to the reservations of overriding royalties as herein noted:

1. Lands affected by this assignment:

Township 33 North, Range 109 West, 6th P.M.
Section 34: W½E½; E½W½
Township 32 North, Range 109 West, 6th P.M.
Section 4: Lots 3, 4, S½W¼
Section 9: All
Section 15: W½
Section 21: NE¼
Section 22: N½

269033

RECORDED Sept. 1 1953 1:55p M
IN BOOK 10 BOOK 6 PAGE 506
FEES $8.00
SUBLETTE COUNTY CLERK
By Cathy Sexton

2. Interest of assignor in such lands One Hundred Percent (100%)
3. Extent of such interest conveyed to assignee One Hundred Percent (100%)
4. Overriding royalty reserved herein to assignor One Percent (1%) (State percentage only)
(See Item 5 of Instructions.)
5. Overriding royalties previously reserved None (State percentage only)

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief, and are made in good faith.

Executed and witnessed this 17th day of February 1953.

WITNESS:

R. L. Kennedy
(Assignor's signature)

318 Continental Oil Bldg., Denver, Colo.
(Address)

REQUEST FOR APPROVAL OF ASSIGNMENT

The undersigned hereby requests approval of the above assignment and certifies as follows:

1. Assignee is a citizen of the United States: Native Born ✓ Naturalized .....
Corporation or other legal entity (specify what kind) .....
2. Assignee's other interests direct and indirect in oil and gas leases and applications or offers therefor in the same State together with the acreage in this instrument do not exceed 15,360 chargeable acres.
3. Assignee is 21 years of age or over, or if a corporation or other legal entity, is qualified as shown by statements attached hereto.
4. Amount remitted: Filing fee, $10.
5. Compliance with the requirements of 43 CFR 192.100 and item 6 of the Instructions is made by the attachments hereto.

The undersigned agrees to be bound by the terms and provisions of said lease, provided the assignment is approved by the signing officer of the Bureau of Land Management, and further agrees that the obligation to pay any overriding royalties or payments out of production created herein, which, when added to overriding royalties or payments out of production previously created, and to royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production per well per day averaged on the monthly basis is (a) as to oil: 15 barrels or less and (b) as to gas: 500,000 cubic feet or less, and that such suspension will apply separately to any zone or portion of a lease segregated for computing Government royalty.

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief, and are made in good faith.

This form is submitted in lieu of official Form 4-1175, and contains all of the provisions thereof as of the date of filing of this Assignment.

Executed and witnessed this 1st day of April 1953

WITNESSES:

Alys M. Norton - Box 660 - Roswell, N. Mex. (Name and address) — Patricia Gaylord Anderson (Assignee's signature)

Barbara B. Barnett - Box 660 - Roswell, N. M. (Name and address) — Box 660 - Roswell, N.M. (Address)

Assignment approved effective MAY 1 1953

THE UNITED STATES OF AMERICA

By .....
(Signing officer)

Manager, Land and Survey Office
(Title)

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 0 5 1998
BUREAU OF LAND MANAGEMENT

NOTE.—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.

NOTE.—This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form in accordance with the provisions of 43 CFR 192.141 (a).

INSTRUCTIONS

1. *Use of Form.*—This form is to be used only for assignment of record title interests in oil and gas leases. It is not to be used for assignments of working or royalty interest, operating agreements or subleases. The assignor must fill in items 1 to 5 inclusive, and also insert in the appropriate spaces the office, serial number, and effective date of the lease involved in the assignment. If less than all of the lands in the lease are assigned, the specific subdivisions involved must be shown.

2. *Copies and Fees.*—All record title assignments must be filed in triplicate in the proper land office. If the land is in a State in which there is no land office they must be filed with the Bureau of Land Management, Washington 25, D. C. Where more than one assignment is made out of a lease a separate instrument of transfer for each assignment must be filed. An assignment may cover lands in only one lease. Assignments must be filed within 90 days from date of final execution and each must be accompanied by a fee of $10. Such fee will not be returned even though the assignment later be withdrawn in whole or in part. Any assignment unaccompanied by the required fee will not be accepted.

3. *Citizenship.*—An individual must show that he is 21 years of age or over and will indicate whether a citizen by birth or naturalization. If production is obtained under the lease or allocated to it, the citizenship status of the assignee will be verified.

4. *Qualifications of Corporations.*—If assignee is a corporation it must show it is qualified with respect to the citizenship provision by filing a copy of its articles of incorporation, certified to by the Secretary of the State of incorporation and it must furnish a statement showing the percentage of each class of its stock which is owned or controlled by or on behalf of persons whom the corporation knows to be or who the corporation has reason to believe are aliens, or who have addresses outside of the United States, indicating which classes of stock have voting rights. If more than 10 percent of the voting stock or if all of the stock is owned or controlled by or on behalf of such persons, the corporation must give their names and addresses, the amount and class of stock held by each, and, to the extent known to the corporation, or which can be reasonably ascertained by it, the facts as to the citizenship of each such person. If any appreciable percentage of the stock of the corporation is held by aliens of the excepted class, its application will be denied. If 20 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate showing of his citizenship and holdings must be furnished. A corporation also must furnish either the minutes of the meeting of the board of directors, or a copy of the bylaws indicating the officer signing the application has authority to do so, or a certificate of the Secretary or assistant secretary of the corporation to that effect over the corporate seal. Where a corporation has previously filed in any land office any of the documents required by this and the previous paragraph, a reference to that file by serial number may be made in lieu of the document together with a statement of any subsequent amendments. A single copy of any additional information required by the provisions of this and the preceding paragraph will be sufficient.

5. *Payment Out of Production.*—Any overriding royalties or payments out of production created by an assignment but not set out therein must be described in an accompanying statement. If payments out of production are reserved, outline in detail the amount, method of payment, and other pertinent terms.

6. *Bonds.*—Where an assignment is of an entire lease which is covered by an outstanding lease bond, it must be accompanied by a new bond or in lieu thereof the consent of the surety on the bond of record to remain bound thereunder with the assignee as the substituted principal. If an undivided lease interest is assigned, the assignment must be accompanied by the consent of the surety on the bond of the assignor to inclusion of the assignee as a joint principal on the bond, or a new bond with assignor and assignee as joint-principals may be furnished. Any assignment which does not convey the assignor's record title in all of the lands in the lease must also be accompanied by consent of his surety to remain bound under the bond of record for the lease interest retained by said assignor, if the bond, by its terms, does not contain such consent. If a party to the assignment has previously furnished a Nation-wide bond on either form 4–1167 or 4–1168 applicable to the State and the act under which the lease issued, no additional showing is necessary by such party as to the bond requirement.

7. *Lease Account.*—All rentals and royalties due under a lease must be paid when an assignment is filed, or before the assignment is reached for action, otherwise the lease may be canceled.

8. *Assignment of Separate Zone or Deposit.*—An assignment of a separate zone or deposit or of a part of a legal subdivision will not be approved unless the necessity therefore is established by clear and convincing evidence which must accompany the request for approval of the assignment.

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 0 5 1998
BUREAU OF LAND MANAGEMENT

Form 3106 - 5
(October 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1985 SEP 30 AM 9 30
RECEIVED
CHEYENNE, WYOMING

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

ASSIGNMENT AFFECTING RECORD TITLE TO OIL AND GAS LEASE

Lease Serial No.
W-015317

Lease effective date
June 1, 1952

FOR BLM OFFICE USE ONLY

New Serial No. 760

PART I

1. Assignee's Name

CELSIUS ENERGY COMPANY

Address *(include zip code)*

P. O. Box 11070, Salt Lake City, Utah 84147

The undersigned, as owner of 50% percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment	Assignment approved as to lands described below
T-32-N, R-109-W, 6th P.M. Sec. 4: Lots 8,9,10,15,16 Sec. 9: All Sec. 15: W½ Sec. 21: NE¼ Sec. 22: N½ T-33-N, R-109-W, 6th P.M. Sec. 34: W½E¼, E½W¼ Containing 1,960.17 acres, m/l Sublette County, Wyoming	SAME LAND DESCRIPTION AS ITEM 2

269034 1:55P
RECORDED Sept. 1 1998 M
IN BOOK 108 016 PAGE 508
FEES $6.00 M. COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sutton

CERTIFIED
to be a true and comperative copy
of the official records on file
AUG 0 5 1998
BUREAU OF LAND MANAGEMENT

3. Specify interest or percent of assignor's record title interest being conveyed to assignee	100%
4. Specify interest or percent of record title interest being retained by assignor, if any	NONE
5. Specify overriding royalty being reserved by assignor	NONE
6. Specify overriding royalty previously reserved or conveyed, if any	3.625% of 8/8ths

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

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

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

Executed this 25th day of September, 19 85.
MOUNTAIN FUEL SUPPLY COMPANY

J. L. Healey, (Assignor's Signature)
Attorney in Fact

Evidence of authority of Attorney-in-Fact is filed in W-0153814 and such authority is still in effect.

P. O. Box 11368
(Assignor's Address)

Salt Lake City, Utah 84139
(City) (State) (Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 01 1985

By [illegible] ANDREW L. TAGGART
(Authorized Officer)

CHIEF, [illegible] SECTION
(Title)

[illegible] 1985
(Date)

ORIGINAL

NOTE: This form may be recorded if required by State law.

[redacted] [redacted] [redacted]

Form 3106-14
(September 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

1985 SEP 30 AM 9:30

RECEIVED
CHEYENNE, WYOMING

Lease Serial No.
W-015317

Lease effective date
June 1, 1952

PART I

1. Assignee's Name
CELSIUS ENERGY COMPANY

Address *(include zip code)*
P. O. Box 11070, Salt Lake City, Utah 84147

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

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

T-32-N, R-109-W, 6th P.M. - 75%
Sec. 4: Lots 8,9,10,15,16
Sec. 9: All
Sec. 15: W½
Sec. 21: NE¼
Sec. 22: N½

Containing 1,640.17 acres, m/l
Sublette County, Wyoming

T-33-N, R-109-W, 6th P.M. - 50%
Sec. 34: W½E½, E½W½

Containing 320.00 acres, m/l
Sublette County, Wyoming

From the surface of the earth to the lesser of the base of the Fort Union formation or the stratigraphic equivalent of the depth of 12,050 feet below the surface of the earth as found in The Mesa Unit No. 1 well drilled in the NE¼ of Sec. 7, T-32-N, R-109-W, 6th P.M., Sublette County, Wyoming.

269035

RECORDED Sept. 1 1998 M 1:55p
IN BOOK 108 016 PAGE 508
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Soaton

CERTIFIED
to be a true and comparative copy of the official records on file
AUG 05 1998
BUREAU OF LAND MANAGEMENT

3. Specify interest or percent of operating rights being conveyed to assignee	100%
4. Specify interest or percent of operating rights being retained by assignor	NONE
5. Specify overriding royalty interest being reserved by assignor	NONE
6. Specify overriding royalty previously reserved or conveyed, if any	3.625% of 8/8ths

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

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

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

Executed this 25th day of September, 19 85.
MOUNTAIN FUEL SUPPLY COMPANY

J. C. Healey (Assignor's Signature)
Attorney in Fact

Evidence of authority of Attorney-in-Fact is filed in W-0153814 and such authority is still in effect.

P. O. Box 11368
(Assignor's Address)

Salt Lake City, Utah 84139
(City) (State) (Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved effective OCT 01 1985

ANDREW L. TARSHIS
(Authorized Officer)

CHIEF, LEASING SECTION
(Title)

OCT 04 1985
(Date)

NOTE: This form may be reproduced provided that copies are exact reproductions on white paper of both sides of this form and are used with prior approval of the Bureau of Land Management.

ORIGINAL

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me by J. L. HEALEY as ATTORNEY-IN-FACT OF MOUNTAIN FUEL SUPPLY COMPANY this 25th day of September, 19 85.

NOTARY PUBLIC ANNA IRONS STATE OF UTAH

WITNESS my hand and official seal.

My Commission Expires:

March 15, 1989

Notary Public

on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations (43 CFR 3104.2).

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 25th day of September, 19 85.
CELSIUS ENERGY COMPANY

W. F. Oline, (Assignee's Signature)
Vice President, Exploration

P. O. Box 11070
(Assignee's Address)

ATTEST:

Assistant Secretary

Salt Lake City, Utah 84147
(City) (State) (Zip Code)

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

INSTRUCTIONS

1. USE OF FORM – Use only for assignment of operating rights *(including working interests)* in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement *must* be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany this assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – The assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If an operator's bond is required, it *must* be furnished prior to approval of the assignment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 0 5 1998
BUREAU OF LAND MANAGEMENT

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
This information is being collected pursuant to the law (43 CFR 3106–3(c)).
This information will be used to create a record of lease assignment.
Response to this request is required to obtain a benefit.

GPO 930 - 844

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me by J. L. HEALEY as ATTORNEY-IN-FACT for MOUNTAIN FUEL SUPPLY COMPANY this 25th day of September, 1985.

WITNESS my hand and official seal.

Notary Public

My Commission Expires:

March 15, 1989

and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 25th day of September, 19 85.

CELSIUS ENERGY COMPANY

W. F. Oline (Assignee's Signature)
Vice President, Exploration

P. O. Box 11070
(Assignee's Address)

ATTEST:

Assistant Secretary

Salt Lake City, Utah 84147
(City) (State) (Zip Code)

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

INSTRUCTIONS

1. USE OF FORM – Use only for assignment of record title interest in oil and gas leases. If more than one assignment is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.

2. FILING AND NUMBER OF COPIES – File three (3) completed and manually signed copies in the appropriate BLM office. A $25.00 nonrefundable filing fee *must* accompany the assignment. File assignment within ninety (90) days *after* date of final execution.

3. EFFECTIVE DATE OF ASSIGNMENT – Assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers. If bond is necessary, it *must* be furnished prior to approval of the assignment.

4. EFFECT OF ASSIGNMENT – Approval of assignment of a definitely described portion of the leased lands creates separate leases of the retained and the assigned portions. It does *not* change the terms and conditions of the lease or the lease anniversary date for purposes of payment of annual rental.

5. A copy of the lease out of which this assignment is made should be obtained from the assignor.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE – The information is to be used to process the assignment and request for approval.

ROUTINE USES:
(1) The adjudication of the assignee's rights to the land or resources.
(2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
(3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION – If all the information is not provided, the assignment may be rejected.

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 0 5 1998
BUREAU OF LAND MANAGEMENT

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

Bureau of Land Management collects this information pursuant to the law (see 43 CFR 3106–3(c)).

Bureau of Land Management uses the information to create a record of lease assignment and to determine the qualifications of assignees.

A Federal lessee is obligated to report this information under provisions of 43 CFR 3106.

GPO 887 - 819

WY-214

Form 3000-3
June 1988

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

91 OCT 15 AM 9:00

RECEIVED
CHEYENNE, WYOMING

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

Lease Serial No.
WYW-015317

Lease Effective Date
(Anniversary Date)
June 1, 1951

New Serial No.

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* El Paso Production Company
   Street 5613 DTC Parkway
   City, State, ZIP Code Englewood, CO 80111

*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 Section 4: Lots 8, 9, 10, 15, 16 Section 9: All Section 15: W½ Section 21: NE Section 22: N½ 1640.17 A Sublette County, Wyoming	50%	50%	-0-	-0-	6.125

269036
RECORDED Sept. 1 1998 M 1:55p
IN BOOK 108 Ch6 PAGE 512
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, Wyoming
By Cathy Seaton

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 05 1998
BUREAU OF LAND MANAGEMENT

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 for land description indicated on reverse of this form.

Assignment approved effective NOV 01 1991

Pamela J. Lewis
SUPERVISORY LAND LAW EXAMINER

OCT 29 1991

ORIGINAL

needed

STATE OF Texas
COUNTY OF Tarrant } SS.

ACKNOWLEDGMENT, CORPORATION

Before me, the undersigned, a Notary Public, in and for said County and State, on this 16 day of September, 19 91, personally appeared P. Gene Wingo to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Attorney-in-Fact and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

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

My commission expires 8-19-93 Annette M. Marsh Notary Public

ANNETTE M. MARSH
Notary Public
STATE OF TEXAS
My Comm. Exp. 08/19/93

STATE OF Colorado
COUNTY OF Arapahoe } SS.

ACKNOWLEDGMENT, CORPORATION

Before me, the undersigned, a Notary Public, in and for said County and State, on this 18th day of September, 19 91, personally appeared John C. Beck to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Attorney in Fact and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

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

My commission expires 12/21/93 Loretta Schwehr Notary Public
Residing at Englewood, Colorado

LORETTA SCHWEHR NOTARY PUBLIC STATE OF COLORADO

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 either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one State if this is a geothermal lease; (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 (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241)

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith

Executed this 16th day of September, 19 91 but effective July 1, 1986.

Name of Assignor as shown on current lease

Please type or print

Assignor EL PASO NATURAL GAS COMPANY (Signature)

or

Attorney-in-fact P. Gene Wingo (Signature)

5613 DTC Pkwy (Assignor's Address)

Englewood, CO 80111 (City) (State) (Zip Code)

CERTIFIED to be a true and comparative copy of the official records on file

AUG 05 1992

BUREAU OF LAND MANAGEMENT

Executed this 18th day of September, 19 91

Assignee EL PASO PRODUCTION COMPANY (Signature)

or

Attorney-in-fact John C. Beck (Signature)

MERIDIAN OIL
801 CHERRY STREET
FORT WORTH, TEXAS 76102

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.

514

WY-214

Form 3000-3a
(June 1988)

DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

91 OCT 15 AM 9:00

RECEIVED
CHEYENNE, WYOMING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: August 31, 1989

Lease Serial No.

WYW-015317

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)* El Paso Production Company
   Street 5613 D.T.C. Parkway
   City, State, ZIP Code Englewood, CO 80111

*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 32 North, Range 109 West Section 4: Lots 8, 9, 10, 15, 16 Section 9: N½, N½SW, N½SE, SESE Section 15: W½ Section 21: NE Section 22: N½					
From the surface to 12,050' or base of Ft. Union Formation	15%	15%	-0-	-0-	6.125
Below the base of the Ft. Union Formation	30%	30%	-0-	-0-	6.125

269037

RECORDED Sept. 1 1998 M 1:55p
IN BOOK 108 PAGE 514
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 0 5 1998

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE BUREAU OF LAND MANAGEMENT

THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

Transfer approved effective NOV 0 1 1991

By Pamela J. Lewis (Authorized Officer) SUPERVISORY LAND LAW EXAMINER (Title) OCT 2 9 1991 (Date)

ORIGINAL

COUNTY OF Larimer)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 16 day of September, 19 91, personally appeared P. Gene Wiggs, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Attorney-in-Fact and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

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

My commission expires 8-19-93 Annette M Marsh Notary Public

ANNETTE M. MARSH
Notary Public
STATE OF TEXAS
My Comm. Exp. 08/19/93

STATE OF Colorado)
COUNTY OF Arapahoe) SS.

ACKNOWLEDGMENT, CORPORATION

Before me, the undersigned, a Notary Public, in and for said County and State, on this 18th day of September, 19 91, personally appeared John C. Beck, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Attorney in Fact and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

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

My commission expires 12/21/93 Loretta Schnehr Notary Public
Residing at Englewood, COlorado

LORETTA SCHNEHR
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 associations of such citizens, nationals, resident aliens or private, public or municipal corporations. (b) Transferee is not considered a minor under the laws of the State in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in either public domain or acquired lands, do not exceed 200,000 acres in oil and gas options or 246,080 in oil and gas leases in the same State, or 300,000 acres in leases and 200,000 acres in options in each leasing District in Alaska, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920 or 51,200 acres in any one state if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3100 or 3200) and the authorizing Acts. (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 16th day of September, 19 91
but effective July 1, 1986.

Name of Transferor El Paso Natural Gas Company
Please type or print

Transferor or Attorney-in-fact P. Gene Wiggs (Signature)

5613 D.T.C. Parkway (Transferor's Address)

Englewood, (City) CO (State) 80111 (Zip Code)

Executed this 18th day of September, 19 91

EL PASO PRODUCTION COMPANY

Transferee or Attorney-in-fact John C. Beck (Signature)

MERIDIAN OIL
801 CHERRY STREET
FORT WORTH, TEXAS 76102

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 05 1992
BUREAU OF LAND MANAGEMENT

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.

Form 39—Burkhart Printing & Stationery Co., Tulsa, Okla.

(For Filing Only)

ASSIGNMENT OF OVER-RIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That Thomas Halagan

hereinafter called Assignor (whether one or more) for and in consideration of the sum of ..... Dollars ($.....) cash in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, convey, transfer, assign and deliver unto Thomas Halagan, Trustee of the Thomas Halagan 1998 Revocable Trust UDT 6/23/98, hereinafter called Assignee (whether one or more) an over-riding royalty in the amount of an undivided 23.26799% of a 2.5% x 8/8 interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situate in Sublette County, State of Wyoming, to-wit:

Lots 7, 8, 12 of Section 5 and N/2 NW, SE NW; NE SW of Section 21-28N-114W

269057

RECORDED Sept. 3, 1998 8:35 A.M.
IN BOOK 108 O+G P. 516
FEES $6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sacton

During the term of the present valid and subsisting oil and gas lease thereon, free and clear of any and all expenses of any nature whatsoever, except State and Federal Taxes.

TO HAVE AND TO HOLD The above described property and easement with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignee herein its heirs, successors, personal representatives, administrators, executors, and assigns forever.

WITNESS my hand this 13th day of August, 1998.

BBR1 CHRISTINE K. BANKS COMM. #1108632 NOTARY PUBLIC-CALIFORNIA PRINCIPAL OFFICE IN FRESNO COUNTY My Commission Exp. Aug. 16, 2000 BBR1

Thomas Halagan
THOMAS HALAGAN

STATE OF CALIFORNIA
County of FRESNO } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 13th day of August, 1998, personally appeared THOMAS HALAGAN, proved to me on the basis of satisfactory evidence and to be the person who subscribed to the within instrument ~~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 notarial seal the day and year above written.

My commission expires August 16, 2000

Christine K. Banks
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 the day and year above written.

My commission expires.....

Notary Public

[redacted] [redacted] [redacted]

11261

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

This Assignment is made and entered into this 9th day of February, 1998, by and between LOMA ENERGY CORP., hereinafter called "Assignor", whose address is PO Box 21395, Billings, Montana 59104, and HANSON & STRAHN, INC., hereinafter called "Assignee", whose address is PO Box 3020, Cheyenne, Wyoming 82003.

WITNESSETH

ASSIGNOR, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby BARGAIN, SELL, TRANSFER, ASSIGN AND CONVEY, subject to the exceptions, reservations, conditions and other provisions hereinafter set out, unto ASSIGNEE, 100% of Assignor's right, title and interest in and to those certain Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof, such leases being hereinafter sometimes referred to as "said Leases", and being located in Sublette County, Wyoming.

TO HAVE AND TO HOLD said interest unto Assignee, its successors and assigns, in accordance with the terms and provisions contained in said Leases, subject to the following conditions, covenants, reservations, and exceptions, to-wit:

1. This Assignment is made subject to (i) all instruments filed of record affecting said Leases, and (ii) that certain Offer to Purchase dated December 23, 1997, by and between HANSON & STRAHN, INC. and LOMA ENERGY CORP. The terms and conditions of the documents described above are incorporated herein by reference for all purposes.

2. Assignor hereby reserves unto Assignor and excepts from this Assignment an overriding royalty interest in all of the oil, gas and other hydrocarbons produced, saved and marketed from said Leases equal to the difference between Seventeen and One-Half Percent (17.50%) and all presently existing and outstanding lease burdens which shall include lessor's royalty and all overriding royalties or similar interests burdening said Leases, provided, however, that in no event shall Assignee receive less than an 82.50% net revenue interest under and by virtue of said Leases.

If the Oil and Gas Leases on the attached Exhibit "A" cover less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, or if Assignor owns less than 100% of the oil, gas or mineral leasehold estate in any such tract or tracts, the interest retained hereunder, with respect to that certain tract or tracts, shall be proportionately reduced.

For the same consideration, Assignor covenants with Assignee that Assignor has the requisite power and authority to convey the interest herein conveyed and that said Leases are free and clear from all liens and encumbrances, and that all rentals and royalties due and payable thereunder have been duly paid, and that the undersigned agrees to warrant and defend the same against the lawful claims and demands of all persons whomsoever claiming or to claim by, through and under ASSIGNOR, but not otherwise.

In the event Assignee should elect to surrender, let expire, abandon or release all or any part of its right in said Leases, or any part thereof, Assignee shall notify Assignor not less than forty-five (45) days in advance of such surrender, expiration, abandonment or release, and if requested to do so by Assignor, shall immediately reassign such rights in the said Lease, or such part thereof, to Assignor. It is agreed that Assignee shall incur no liability for failure to so notify or reassign through clerical error, oversight or otherwise.

The terms, covenants, and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, personal representatives, successors, and assigns.

9:50a

269058

RECORDED Sept. 3 1998 M
IN BOOK 108 Misc PAGE 517
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

1

1

IN WITNESS WHEREOF, this Agreement is executed effective as of the date first written above.

ASSIGNOR:

LOMA ENERGY CORP.

By: _____
Douglas R. Hansen, President

ATTEST: _____
Lori A. Hansen, Secretary

ASSIGNEE:

HANSON & STRAHN, INC.

By: _____
Marc Randal Strahn, President

NO ATTEST REQUIRED

STATE OF MONTANA)
) ss
COUNTY OF YELLOWSTONE)

On this 9th day of February, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared DOUGLAS R. HANSEN, known to me to be the PRESIDENT of LOMA ENERGY CORP., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

_____
Notary Public

My commission expires:

June 1, 2001

Residing at Billings, MT

STATE OF WYOMING)
) ss
COUNTY OF LARAMIE)

On this 19 day of February, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared MARC RANDAL STRAHN, known to me to be the PRESIDENT of HANSON & STRAHN, 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 Cheyenne, Wy.

LYNN R DRAKE - NOTARY PUBLIC
COUNTY OF LARAMIE STATE OF WYOMING
MY COMMISSION EXPIRES AUG. 10, 1999

EXHIBIT "A"

Attached to and made part of that certain Assignment of Oil and Gas Leases dated 2-9-98
by and between Loma Energy Corp., Assignor and Hanson & Strahn, Inc., Assignee.

FILE #	LESSOR	LEASE DATE & TERM	DESCRIPTION	GROSS ON LEASE	RECORDING Book	Page
WY-1451-A 75794-003	Gordon M. Mickelson and Margaret G. Mickelson, h/w	11/12/97 5 years	Township 33 North, Range 113 West, 6th P.M. Sec 5: SW4, W2SE Sec 6: Lots 6, 7, E2SW, SE4 Sec 7: Lot 1, NE4, E2NW, NESW, N2SE Sec 8: W2NE, SENE, NW4, N2S2, SESE Sec 9: SWNW, N2SW Sec 15: W2W2 Sec 17: E2NE Township 33 North, Range 114 West, 6th P.M. Sec 1: SWNW, SESW, SWSE, E2SE Sec 12: E2NE, SWNE, N2NW, SWNW Township 34 North, Range 114 West, 6th P.M. Sec 26: W2SW	2,313.87	107 O&G	135
WY-1451-B 75794-001	Beatrice Ballew, Trustee and Beverly J. Pratt, aka Beverly Ballew Pratt, Successor Trustee under the Howard Ballew Family Trust, under a Living Trust Agreement dated February 25, 1988	1/2/98 5 years	(same as above)	2,313.87	107 O&G	15
WY-1451-C 75794-004	Blake C. VandeWater and Lee S. VandeWater, husband and wife	1/2/98 5 years	(same as above)	2,313.87	107 O&G	22
WY-1451-D 75794-002	Karl M. Johnson, a single man	1/2/98 5 years	(same as above)	2,313.87	107 O&G	17

519

520

2.

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

This Assignment is made and entered into this 30th day of March, 1998, by and between LOMA ENERGY CORP., hereinafter called "Assignor", whose address is PO Box 21395, Billings, Montana 59104, and HANSON & STRAHN, INC., hereinafter called "Assignee", whose address is PO Box 3020, Cheyenne, Wyoming 82003.

WITNESSETH

ASSIGNOR, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby BARGAIN, SELL, TRANSFER, ASSIGN AND CONVEY, subject to the exceptions, reservations, conditions and other provisions hereinafter set out, unto ASSIGNEE, 100% of Assignor's right, title and interest in and to those certain Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof, such leases being hereinafter sometimes referred to as "said Leases", and being located in Sublette County, Wyoming.

TO HAVE AND TO HOLD said interest unto Assignee, its successors and assigns, in accordance with the terms and provisions contained in said Leases, subject to the following conditions, covenants, reservations, and exceptions, to-wit:

1. This Assignment is made subject to (i) all instruments filed of record affecting said Leases, and (ii) that certain Offer to Purchase dated March 5, 1998, by and between HANSON & STRAHN, INC. and LOMA ENERGY CORP. The terms and conditions of the documents described above are incorporated herein by reference for all purposes.

2. Assignor hereby reserves unto Assignor and excepts from this Assignment an overriding royalty interest in all of the oil, gas and other hydrocarbons produced, saved and marketed from said Leases equal to the difference between Seventeen and One-Half Percent (17.50%) and all presently existing and outstanding lease burdens which shall include lessor's royalty and all overriding royalties or similar interests burdening said Leases, provided, however, that in no event shall Assignee receive less than an 82.50% net revenue interest under and by virtue of said Leases.

If the Oil and Gas Leases on the attached Exhibit "A" cover less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, or if Assignor owns less than 100% of the oil, gas or mineral leasehold estate in any such tract or tracts, the interest retained hereunder, with respect to that certain tract or tracts, shall be proportionately reduced.

For the same consideration, Assignor covenants with Assignee that Assignor has the requisite power and authority to convey the interest herein conveyed and that said Leases are free and clear from all liens and encumbrances, and that all rentals and royalties due and payable thereunder have been duly paid, and that the undersigned agrees to warrant and defend the same against the lawful claims and demands of all persons whomsoever claiming or to claim by, through and under ASSIGNOR, but not otherwise.

In the event Assignee should elect to surrender, let expire, abandon or release all or any part of its right in said Leases, or any part thereof, Assignee shall notify Assignor not less than forty-five (45) days in advance of such surrender, expiration, abandonment or release, and if requested to do so by Assignor, shall immediately reassign such rights in the said Lease, or such part thereof, to Assignor. It is agreed that Assignee shall incur no liability for failure to so notify or reassign through clerical error, oversight or otherwise.

The terms, covenants, and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, personal representatives, successors, and assigns.

269059

RECORDED Sept. 3 1998 M 9:50a
IN BOOK 109 Misc PAGE 520
FEES $12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Foster

3

[redacted] [redacted] [redacted]

IN WITNESS WHEREOF, this Agreement is executed effective as of the date first written above.

ASSIGNOR:

LOMA ENERGY CORP.

By: _____
Douglas R. Hansen, President

ATTEST: _____
Lori A. Hansen, Secretary

ASSIGNEE:

HANSON & STRAHN, INC.

By: _____
Marc Randal Strahn, President

NO ATTEST REQUIRED

STATE OF MONTANA)
) ss
COUNTY OF YELLOWSTONE)

On this 30th day of March, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared DOUGLAS R. HANSEN, known to me to be the PRESIDENT of LOMA ENERGY CORP., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

_____
Notary Public

My commission expires:

June 1, 2001

Residing at Billings, MT

STATE OF Wyoming)
) ss
COUNTY OF Laramie)

On this 1st day of April, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared MARC RANDAL STRAHN, known to me to be the PRESIDENT of HANSON & STRAHN, INC., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

_____
Notary Public

My commission expires:

LYNN R DRAKE — NOTARY PUBLIC
COUNTY OF LARAMIE — STATE OF WYOMING
MY COMMISSION EXPIRES AUG. 10, 1999

Residing at Cheyenne, Wy

EXHIBIT "A"

Attached to and made part of that certain Assignment of Oil and Gas Leases dated March 30, 1998
by and between Loma Energy Corp., Assignor and Hanson & Strahn, Inc., Assignee.

FILE #	LESSOR	LEASE DATE & TERM	DESCRIPTION	GROSS ON LEASE	RECORDING Book	Page
WY-1455-A 75832-001	Max F. Boroff, Jr. and Dianne Boroff, Co-Trustees, or their successor(s) in trust under the Max F. Boroff, Jr. Living Trust, dated November 18, 1997	2/10/98 5 years	Township 34 North, Range 113 West, 6th P.M. Sec 9: S2NE, N2SE Sec 10: All	800.00	107 O&G	590
WY-1455-B 75832-002	Dianne Boroff and Max F. Boroff, Jr., Co-Trustees of the Dianne Boroff Living Trust, dated November 18, 1997	2/10/98 5 years	(same as above)	800.00	107 O&G	522
WY-1455-C 75832-003	Sally Sonder, same person as Sally Sonders, a married woman dealing in her sole and separate property	2/10/98 5 years	(same as above)	800.00	107 O&G	507
WY-1455-D 75832-004	Lucy Kendall and Lester L. Kendall, wife and husband	2/10/98 5 years	(same as above)	800.00	107 O&G	510
WY-1455-E 75832-005	Marion T. Boroff aka Marion Boroff, a married woman dealing in her sole and separate property	2/10/98 5 years	(same as above)	800.00	107 O&G	513
WY-1455-F 75832-006	James T. Bohn, aka James Bohn and Patty L. Bohn, h/w	2/10/98 5 years	(same as above)	800.00	107 O&G	516

522

EXHIBIT "A"

Attached to and made part of that certain Assignment of Oil and Gas Leases dated March 30, 1998
by and between Loma Energy Corp., Assignor and Hanson & Strahn, Inc., Assignee.

FILE #	LESSOR	LEASE DATE & TERM	DESCRIPTION	GROSS ON LEASE	RECORDING Book	Page
WY-1455-G	Robert C. Thompson and Marie K. Thompson, h/w	2/10/98 5 years	(same as above)	800.00	107 O&G	519

75832-007

523

524

11244

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

This Assignment is made and entered into this 28th day of January, 1998, by and between LOMA ENERGY CORP., hereinafter called "Assignor", whose address is PO Box 21395, Billings, Montana 59104, and HANSON & STRAHN, INC., hereinafter called "Assignee", whose address is PO Box 3020, Cheyenne, Wyoming 82003.

WITNESSETH

ASSIGNOR, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby BARGAIN, SELL, TRANSFER, ASSIGN AND CONVEY, subject to the exceptions, reservations, conditions and other provisions hereinafter set out, unto ASSIGNEE, 100% of Assignor's right, title and interest in and to those certain Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof, such leases being hereinafter sometimes referred to as "said Leases", and being located in Sublette County, Wyoming.

TO HAVE AND TO HOLD said interest unto Assignee, its successors and assigns, in accordance with the terms and provisions contained in said Leases, subject to the following conditions, covenants, reservations, and exceptions, to-wit:

1. This Assignment is made subject to (i) all instruments filed of record affecting said Leases, and (ii) that certain Offer to Purchase dated December 22, 1997, by and between HANSON & STRAHN, INC. and LOMA ENERGY CORP. The terms and conditions of the documents described above are incorporated herein by reference for all purposes.

2. Assignor hereby reserves unto Assignor and excepts from this Assignment an overriding royalty interest in all of the oil, gas and other hydrocarbons produced, saved and marketed from said Leases equal to the difference between Seventeen and One-Half Percent (17.50%) and all presently existing and outstanding lease burdens which shall include lessor's royalty and all overriding royalties or similar interests burdening said Leases, provided, however, that in no event shall Assignee receive less than an 82.50% net revenue interest under and by virtue of said Leases.

If the Oil and Gas Leases on the attached Exhibit "A" cover less than the full fee simple estate in the oil, gas and other hydrocarbons under any tract or tracts of the land affected hereby, or if Assignor owns less than 100% of the oil, gas or mineral leasehold estate in any such tract or tracts, the interest retained hereunder, with respect to that certain tract or tracts, shall be proportionately reduced.

For the same consideration, Assignor covenants with Assignee that Assignor has the requisite power and authority to convey the interest herein conveyed and that said Leases are free and clear from all liens and encumbrances, and that all rentals and royalties due and payable thereunder have been duly paid, and that the undersigned agrees to warrant and defend the same against the lawful claims and demands of all persons whomsoever claiming or to claim by, through and under ASSIGNOR, but not otherwise.

In the event Assignee should elect to surrender, let expire, abandon or release all or any part of its right in said Leases, or any part thereof, Assignee shall notify Assignor not less than forty-five (45) days in advance of such surrender, expiration, abandonment or release, and if requested to do so by Assignor, shall immediately reassign such rights in the said Lease, or such part thereof, to Assignor. It is agreed that Assignee shall incur no liability for failure to so notify or reassign through clerical error, oversight or otherwise.

The terms, covenants, and conditions hereof shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, personal representatives, successors, and assigns.

269060

RECORDED Sept. 3 1998 M 9:50 A
IN BOOK 108 OF G PAGE 524
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Scaton

2

[redacted] [redacted] [redacted]

IN WITNESS WHEREOF, this Agreement is executed effective as of the date first written above.

ASSIGNOR:

LOMA ENERGY CORP.

By: _____
Douglas R. Hansen, President

ATTEST: _____
Lori A. Hansen, Secretary

ASSIGNEE:

HANSON & STRAHN, INC.

By: _____
Marc Randal Strahn, President

NO ATTEST REQUIRED

STATE OF MONTANA)
) ss
COUNTY OF YELLOWSTONE)

On this 28th day of January, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared DOUGLAS R. HANSEN, known to me to be the PRESIDENT of LOMA ENERGY CORP., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

_____
Notary Public

My commission expires:

7-30-2000

Residing at Billings, MT

STATE OF WYOMING)
) ss
COUNTY OF LARAMIE)

On this 29th day of January, 1998, before me, the undersigned authority in and for the State and County aforesaid, personally appeared MARC RANDAL STRAHN, known to me to be the PRESIDENT of HANSON & STRAHN, INC., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

_____
Notary Public

My commission expires:

8-10-1999

Residing at Cheyenne, WY

LYNN R DRAKE - NOTARY PUBLIC
COUNTY OF LARAMIE
STATE OF WYOMING
COMMISSION EXPIRES AUG. 10, 1999

525

EXHIBIT "A"

Attached to and made part of that certain Assignment of Oil and Gas Leases dated 1-28-98
by and between Loma Energy Corp., Assignor and Hanson & Strahn, Inc., Assignee.

FILE #	LESSOR	LEASE DATE & TERM	DESCRIPTION	GROSS ON LEASE	RECORDING Book	Page
WY-1450-A 75799-001	Gordon M. Mickelson and Margaret G. Mickelson, h/w	11/12/97 5 years	Township 32 North, Range 113 West, 6th P.M. Sec. 7: Lots 1, 2, 3, 7, S2NE, SENW, N2SE Sec. 8: Lots 3, 4, SWNW, S2SW, W2SE Sec. 17: NW4 Sec. 18: Lots 1, 2 Township 32 North, Range 114 West, 6th P.M. Sec. 11: Lot 1, S2NE, N2S2, SESW, S2SE Sec. 12: Lot 4, S2SW, SWSE Sec. 13: SENE, N2N2, SWNW Township 33 North, Range 113 West, 6th P.M. Sec. 31: S2NE, SE4 Sec. 32: S2N2, S2 Sec. 33: S2N2, S2 Sec. 34: W2 Township 33 North, Range 114 West, 6th P.M. Sec. 34: S2NE, SENW, E2SW, SE4 Sec. 35: S2	3,710.88	106 O&G	670
WY-1450-B 75799-002	Tharon M. Greenwood, a widow	11/12/97 5 years	(same as above)	3,710.88	106 O&G	675
WY-1450-C 75799-003	Robert V. Thompson, a widower	11/12/97 5 years	(same as above)	3,710.88	106 O&G	680
WY-1452-A 75777-001	Richard J. Robertson, a married man	11/1/97 5 years	Township 33 North, Range 113 West, 6th P.M. Sec. 29: E2, SW4 Sec. 32: N2N2	640.00	106 O&G	685

EXHIBIT "A"

Attached to and made part of that certain Assignment of Oil and Gas Leases dated 1-28-98
by and between Loma Energy Corp., Assignor and Hanson & Strahn, Inc., Assignee.

FILE #	LESSOR	LEASE DATE & TERM	DESCRIPTION	GROSS ON LEASE	RECORDING Book	Page
WY-1453-A 75778-002	Fred W. Marble, a married man	11/12/97 5 years	Township 33 North, Range 113 West, 6th P.M. Sec. 22: S2NE, SENW, E2SW, SE4 Sec. 23: SWNW, W2SW, SESW Sec. 25: NWNW Sec. 26: N2N2, SWNW, NWSW Sec. 27: NE4, E2NW, NESE	1,080.00	106 O&G	689
WY-1453-B 75778-001	John Fredlund and Bess Snyder Fredlund, h/w	11/12/97 5 years	(same as above)	1,080.00	106 O&G	692
WY-1454-A 75775-002	Michael C. Warren and Joy A. Warren, h/w	7/25/94 5 years	Township 32 North, Range 114 West, 6th P.M. Sec. 23: W2SE, SESE Sec. 24: SW4 Sec. 25: N2NW, SWNW Sec. 26: NE4	560.00	100 O&G	244
WY-1454-B 75775-003	Bonney Beecher Eken, a married woman dealing in her sole and separate property	5/1/95 5 years	(same as above)	560.00	101 O&G	566

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

STATE OF WYOWUNG
BOARD OF LAND COMMISSIONERS
OIL & GAS LEASE INTEREST

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 94-00294 **Assignment Approval Date -** _____

ASSIGNOR, with name and address at,

ULTRA RESOURCES, INC.
304 INVERNESS WAY SOUTH, SUITE 295
ENGLEWOOD, CO 80112

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:

NW/4NE/4, S/2NE/4, NW/4, S/2 Sec. 36-33N-109W

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

1) ASSIGNEE, with name and address at: **LANCE OIL & GAS COMPANY, INC.**
12200 N. PECOS STREET
DENVER, CO 80234

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

2) ASSIGNEE, with name and address at:

269144

RECORDED Sept. 8, 1998 11:35 A.M.
IN BOOK 108 Otc PAGE 528
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Zaeter

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, 85%

This assignment is subject to any existing overriding royalties previously served. 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* 1 *of Lease #* 94-00294 *assignment dated* June 26, 1998

WY-1069

WY-32606

[redacted] [redacted] [redacted]

SIGNED AS TO TRANSFER AND ACCEPTANCE this 26th day of June, 1998

ASSIGNOR - ULTRA RESOURCES, INC.	Assignee (1) - LANCE OIL & GAS COMPANY, INC.
By -	By - Ralph W Ponfick
Title - President	Title - Ralph W. Ponfick, Attorney-In-Fact
Attest - Assistant Secretary	Attest -
Assignee (2) -	Assignee (3) -
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 dated 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 as lease,

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.

STATE OF COLORADO §
§ ss.
COUNTY OF ADAMS §

The foregoing instrument was acknowledged before me this 18th day of August, 1998 by Ralph W. Ponfick, Attorney -in-Fact for LANCE OIL & GAS COMPANY, INC., a Delaware corporation, on behalf of the corporation.

WITNESS my hand and official seal.

E. JUNE TODD
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Apr. 3, 2000

E. June Todd
E. June Todd, Notary State of Colorado
12200 N. Pecos Street
Denver, CO 80234

By -

STATE OF COLORADO)
)Ss
COUNTY OF DOUGLAS)

BE IT KNOWN, that on this 26 day of June, 1998, before me, the undersigned authority, personally came and appeared **R.G "Jerry" Albertus as President of Ultra Resources, Inc.**, to me personally known to the identical person whose name is subscribed to the foregoing instrument as the said President of said corporation, and declared and acknowledged to me, Notary, that he executed the same on behalf of said corporation with full authority of its Board of Directors, and that the said instrument is the free act and deed of the said corporation and was executed for the uses, purposes and benefits therein expressed.

NOTARY PUBLIC

Notary Public

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

When [redacted] Return To:
Dolar Oil Properties, L.C.
935 E. South Union Avenue, Suite D-202
Salt Lake City, Utah 84047

OVERRIDING ROYALTY ASSIGNMENT

THIS AGREEMENT Made and entered into of the date written below is by and between **Dolar Oil Properties** , 935 East South Union Avenue, Suite D202, Salt Lake City, Utah 84047, party of the first part, hereinafter called Assignor, and **Mark S. Dolar and Janet K. Dolar, husband and wife with full right of survivorship,** whose address is 10894 Lostwood Drive, Sandy, Utah 84092, party of the second part, hereinafter called Assignee.

NOW THEREFORE For and in consideration of Ten and more Dollars ($10.00), the receipt and sufficiency of which is hereby acknowledged, Assignor herein hereby assigns, conveys, sells, transfers, and sets unto Assignee all of its right, title and interests in and to the overriding royalty interest in and to lands located in Sublette County, Wyoming, being more particularly described as follows, to-wit:

Township 27 North, Range 114 West, 6th P.M.
Section 15: SE¼, NE¼SW¼

This Assignment shall be construed as applicable to all of oil, gas and casinghead gas produced, saved and marketed, as an overriding royalty, free and clear of any costs and expenses of the development and operation thereof, excepting taxes applicable to said interest and production, therefrom, from the land described herein, including all unit production and production from participating area allocated to said lands.

And for the same consideration the undersigned covenant with the Assignee, its heirs, and assigns that the undersigned is the lawful owner of and has good title to the interest herein assigned. Assignor agrees to execute such further assurance that may be required for complete enjoyment for the rights herein granted.

This assignment shall convey all rights to Assignee from Assignor, including the rights for Assignee to receive all unpaid royalties, suspended funds, or interest applicable to the overriding royalty interest herein conveyed before and after date of this agreement.

EXECUTED THIS 20th day of August, 1998.

DOLAR OIL PROPERTIES

Mark S. Dolar, Sole Proprietor

269165

RECORDED Sept. 8 1998 3:50 PM
IN BOOK 108 Or 6 PAGE 531
FEES $ 6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Scott

ACKNOWLEDGMENT

STATE OF Utah)
)ss
COUNTY OF Salt Lake)

On this 20th day of August, 1998 before me the undersigned Notary Public for said County and State personally appeared before me Mark S. Dolar, Sole Proprietor of Dolar Oil Properties known to be the identical persons who executed the within and foregoing instrument in writing and acknowledged to me that they executed the same as their free and voluntary act and deed for the use and purposes herein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year above written.

Christa Kelson
Notary Public
Residing at: Salt Lake City, UT

My Commission Expires:
5.4.2002

CHRISTA K. KELSON
Notary Public · State of Utah
136 BRAEWICK ROAD
SALT LAKE CITY, UT 84103
COMM. EXP. 5-4-2002

B:\DOLAR FORMS\ORR.ASG

532

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

BUREAU OF LAND MANAGEMENT
97 MAY 21 AM 9:00
RECEIVED
PINEDALE, WYOMING

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-131922

Lease Effective Date
(Anniversary Date)
April 1, 1994

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Ultra Petroleum (USA) Inc.
   Street c/o Charlotte H. Kauffman
   City, State, ZIP Code 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
Situated in Sublette County, Wyoming T. 35 N. - R. 111 W., 6th P.M. Sec. 15: All Sec. 22: All Sec. 23: S/2 N/2; S/2 Sec. 24: All Sec. 27: N/2 N/2 Containing 2,560.00 acres, more or less.	100%	100%	NONE	1.0% of 8/8ths	6.5% of 8/8ths

269176
RECORDED Sept. 9 1998 M 10:10A
IN BOOK 108 O16 PAGE 532
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Preston

FOR ASSIGNEE

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 JUN 01 1997

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

By /s/ Theresa M. Stevens (Authorized Officer)

LAND LAW EXAMINER (Title)

AUG 21 1997 (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.

In the event Assignee shall at any time desire to surrender said lease or allow said lease to terminate or expire as to all or any part of the lands covered thereby, Assignee shall so notify Assignor in writing thereof at least sixty (60) days in advance of the surrender, termination or expiration date, and Assignor shall then have the right to reacquire said lease as to all or any part of the lands affected by such surrender, termination or expiration by notifying Assignee in writing thereof within thirty (30) days after receipt by Assignor of such notice, whereupon Assignee shall forthwith reassign to Assignor all of such interest. In the event Assignor does not elect to reacquire said lease as to all or any part of the lands affected by such surrender, termination or expiration, then Assignee may surrender or allow said lease to terminate or expire as to all or any part of the lands concerned.

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 7th day of April, 19 97

Name of Assignor as shown on current lease Shama Zoe Limited Partnership
Please type or print

Assignor By Gilman A. Hill (Signature)
or
Attorney-in-fact Gilman A. Hill, General Partner
(Signature)

6400 S. Fiddler's Green Circle, Plaza Tower One, Suite 1977
(Assignor's Address)

Englewood (City) Colorado (State) 80111 (Zip Code)

Executed this 23rd day of April, 1997

Assignee ULTRA PETROLEUM (USA) INC.

By R. G. Jerry Albertus (Signature)
or
Attorney-in-fact , Director
(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

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me by Gilman A. Hill, as General Partner of SHAMA ZOE LIMITED PARTNERSHIP, a Colorado Partnership, this 7th day of April, 1997.

JoAnn Sarver, Notary Public

My Commission Expires:

November 21, 1998

ADDRESS: 7663 S. Monaco Circle West
Englewood, CO 80112-2552

JOANN SARVER
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 11-21-98

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

KNOW ALL MEN BY THESE PRESENTS: THAT this Assignment, made effective as of May 11, 1998, from Starwood, Inc., a Texas corporation ("Starwood"), 100 Elk Run Drive, Suite 215, P. O. Box 200, Basalt, CO 81621 (hereinafter referred to as "ASSIGNOR") to Aztec Energy Corporation, a Utah corporation ("Aztec"), 7801 Broadway, Suite 200, San Antonio, Texas 78209 (hereinafter referred to as "ASSIGNEE").

W I T N E S S E T H:

WHEREAS, ASSIGNOR is the owner and holder of the oil and gas leasehold estate (i.e. the "working interest") with respect to the oil and gas leases as they cover the lands described on Exhibit "A" attached hereto and made a part hereof by this reference (hereinafter referred to as the "Subject Leases"); and

WHEREAS, ASSIGNOR desires to assign to ASSIGNEE all of ASSIGNOR'S right, title and interest in and to the Subject Leases as provided herein, but only to the extent that the Subject Leases cover the lands described on the attached Exhibit "A".

NOW THEREFORE, in consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, ASSIGNOR does hereby sell, assign, set over, transfer and convey unto ASSIGNEE, all of the ASSIGNOR'S right, title and interest in and to the Subject Leases, but only to the extent that they cover the lands described on the attached Exhibit "A".

EXCEPTING AND RESERVING to ASSIGNOR, its successors and assigns, an overriding royalty interest equal to the difference, if any, between the total net revenue interest attributable to the working interest in the Subject Leases as of the Effective Date of this Assignment and seventy-five percent (75%) of all the oil, gas and associated substances produced, saved and marketed from the Subject Leases (the "Overriding Royalty"). The Overriding Royalty shall be inclusive to any overriding royalty interest which was vested prior to the Effective Date of this Assignment. It is the intent of ASSIGNOR to deliver to ASSIGNEE a net revenue interest attributable to the working interest conveyed herein equal to seventy-five percent (75%) with respect to each of the Subject Leases. Such Overriding Royalty shall be free and clear of all cost and expense but shall bear its proportionate part of all local, county, state, federal and any other applicable taxes on production. The Overriding Royalty shall be payable on all oil, gas and associated substances produced, saved and marketed from the Subject Leases. The Overriding Royalty may be pooled or unitized in the same manner as permitted by the provisions of the Subject Leases. ASSIGNEE shall have no obligation, express or implied to the Overriding Royalty Owners to explore or develop the Subject

269180

RECORDED Sept. 9 1998 M
IN BOOK 102 Of 6 PAGE 535
FEES $ 17.50 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

10:45A

K:\DCP\Aztec\Holloway\Assignments\Sept 98 Asst.ast

Leases. The Overriding Royalty shall survive and encumber any and all extensions, renewals or assignments of the Subject Leases, whether by Assignee or an entity affiliated by organization or contract.

PROVIDED HOWEVER, that this Assignment is made and shall in all respects be subject to the following:

1. That certain Letter Agreement dated effective May 11, 1998, as amended by Amendment to Letter Agreement dated August 10, 1998, by and between ASSIGNOR and ASSIGNEE ("Letter Agreement");

2. The terms and provisions of the Subject Leases including, but not limited to, both landowner's royalty and any overriding royalties existing of record prior to the effective date of this Assignment;

3. Any existing unit agreements, as amended, covering the Subject Leases;

4. This Assignment is made without warranty of title, either express or implied; provided, however, that ASSIGNOR warrants that the working interest of the Subject Leases is hereby conveyed free and clear of all liens, mortgages, encumbrances or other security interests except for the royalty and overriding royalty burdens provided for herein. ASSIGNOR does transfer and assign to ASSIGNEE the benefits and recourse rights heretofore available to ASSIGNOR by virtue of any and all warranties outstanding with respect to third parties.

5. This Assignment shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, and the terms provisions and conditions herein contained shall be considered as covenants running with the ownership of the oil and gas leasehold estate covered by the Subject Leases.

TO HAVE AND HOLD unto the ASSIGNEE, its successors and assigns, but subject to the terms, covenants and conditions set forth above.

IN WITNESS WHEREOF, ASSIGNOR has executed and delivered this Assignment on the date set forth hereunder, but effective for all purposes as of May 11, 1998.

ASSIGNOR:

STARWOOD, INC.

By: _____
Don R. Holloway

Its: President

STATE OF COLORADO §
§
COUNTY OF Pitkin §

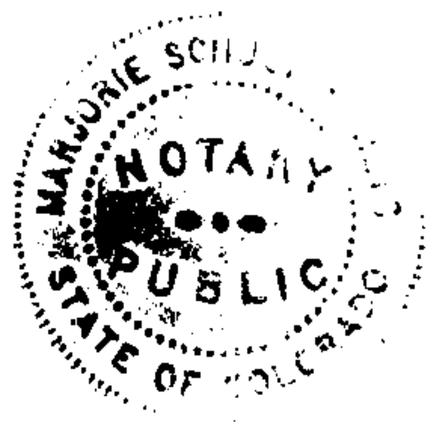
The foregoing instrument was acknowledged before me this 1 day of September, 1998, by Don R. Holloway, President of Starwood, Inc., a Texas corporation, on behalf of said corporation.

Marjorie Schultze Hiltz
NOTARY PUBLIC, State of Colorado

My Commission Expires:

1-24-02

Marjorie Schultze Hiltz
(Printed Notary Name)



After recording, return to Assignee's Address:

Attn: Chrissy Vance
Aztec Energy Corporation
7801 Broadway, Suite 200
San Antonio, Texas 78209

EXHIBIT "A"
Attached to and made a part of that certain Assignment of Oil and Gas Leases
between Starwood, Inc. and Aztec Energy Corporation effective May 11, 1998

Property Name	Tract	Lease Gross Acres	Lessor	Lease Date	Lessee	Lands	Recording
Alpine	61	1,856.61	Bloom, Magdaline	11/11/93	Starwood, Inc	31N-110W Sec. 4: W/2SW Sec. 5: SWNE, S/2NW, S/2 Sec. 6: SENE, E/2SE Sec. 7: E/2NE Sec. 8: E/2, SW, W/2NW Sec. 9: W/2W/2, E/2SW, SWSE Sec. 16: Lots 1(39.78), 2(21.76), 3(35.07), NE, NENW	Bk 96, P 65
Alpine	61	1,856.61	Higgins, J Marlin and Mary K	11/11/93	Starwood, Inc	same as above	Bk 96, P 62
Alpine	61	1,856.61	Higgins, Ted Lance	11/11/93	Starwood, Inc	same as above	Bk 104, P 365
Alpine	61	1,856.61	Wilcox, Leslie F and Sharon L	11/11/93	Starwood, Inc	same as above	Bk 96, P 128
Alpine	60	1,556.03	Luman, Doris B.	8/10/93	Starwood, Inc.	32N-110W Sec. 27: W/2NW Sec. 28: SE/4 Sec. 33: NWSE	Bk 93, P 353
		12,096.88	Grindstone Cattle Co., et al.	3/1/97	Starwood, Inc.	33N-110W Sec. 16: NW, SE Sec. 21: SE Sec. 22: NW Sec. 27: NW Sec. 34: NW	Bk 104, P 685

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Property Name	Tract	Lease Gross Acres	Lessor	Lease Date	Lessee	Lands	Recording
		490.00	Steele Ranches Partnership	11/30/93	Starwood, Inc.	33N-110W Sec. 10: NW	Bk 96, P 103
		360.00	Larry W. Hubbard, et al.	3/1/97	Starwood, Inc.	33N-110W Sec. 15: NW	Bk 104, P 349
		360.00	Grace E. Sulenta	11/30/93	Starwood, Inc.	33N-110W Sec. 15: NW	Bk 96, P 44

Producers 88
Rocky Mountain 1989
(Paid-Up Rev. 1996)

PAID-UP
OIL AND GAS LEASE

RECORDED Sept. 15 1998 M 1:50p
IN BOOK 108 Bk6 PAGE 540
FEES $ 12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton 1998

269253

THIS AGREEMENT, made and entered into this 31st day of March 1998 by and between

Robert L. Hallman, a married man, dealing in his sole and separate property, individually and as sole heir of the Estate of Janice M. Hallman, deceased, and as an heir of the Estate of Ann I. Muir, deceased

of 1300 Vine Avenue, Martinez, CA 94553, hereinafter called lessor (whether one or more), and

Hanson & Strahn, Inc., of PO Box 3020, Cheyenne, WY 82003, hereinafter called lessee:

WITNESSETH:

1. 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 lessee the lands described below for the purpose of investigating, prospecting, exploring (by geophysical and other methods), drilling, mining, operating for and producing oil or gas, or both (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas (which right shall include specifically a right-of-way and easement for ingress to and egress from said lands by lessee, or its assignees, agents or permitees, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, ponds, roadways, plants, equipment, and structures on said lands to produce, save and take care of the 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, described as follows, to-wit: INITIAL

See Exhibits "A" & "B" attached hereto and made a part hereof

In addition to the land described above, lessor hereby grants, leases and lets exclusively unto lessee, to the same extent as if specifically described, lands which are owned or claimed by lessor by one of the following reasons: (1) all lands and rights acquired or retained by lessor by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to lessor by virtue of lessor's ownership of the land described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by lessor through adverse possession or other similar statutes of the state in which the lands are located.

For the purpose of calculating payments provided for herein, it shall be deemed that the lands covered by this lease contain 760.00 acres, whether there actually be more or less.

The term oil as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including drip gasoline or other natural condensate recovered from gas without resort to manufacturing process. The term gas as used in this lease shall be interpreted to include any substance, either combustible or non-combustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulphide, coal bed methane gas, casinghead gas and sulphur.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years from December 29, 1998 (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coalbed methane gas shall be deemed to be producing gas under this lease at all times when dewatering of the coal seams from which the coalbed methane gas will be produced is occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas; drilling operations shall be considered to be "continuously prosecuted" if not more than one hundred twenty (120) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations on another well or hole; drilling operations shall be deemed to be commenced for a new well at such time as lessee has begun the construction of the wellsite location or the road which provides access to the wellsite location; and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessee has the requisite equipment for such operations at the wellsite.

2. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, or lessee may from time to time at its option purchase any royalty oil in its possession, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessee shall pay lessor, as royalty, on gas, including casinghead gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-eighth (1/8) of the gas sold or used, provided that on gas sold the royalty shall be one-eighth (1/8) of the amount realized from such sale. The amount realized from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessee and a gas purchaser for such term and under such conditions as are customary in the industry. "Price" shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

3. This is a paid-up lease and all cash consideration first recited above and annual rentals have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such cash consideration and advance annual rentals, 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 the land described above, and as to any strata or stratum, by delivering to lessor or by filing of record a release or releases, and be relieved of all obligations thereafter accruing to the acreage surrendered.

4. Any payments required to be made to lessors pursuant to this lease, other than the payment of royalties, may be paid by lessee to the lessor or to lessor's credit in the _____ Bank, at _____ (or its successor or successors, or any bank with which it may be merged or consolidated, or which succeeds to its business assets or any part thereof, by purchase or otherwise) which shall continue as the depository regardless of changes in the ownership of said land or the oil and gas. All such payments may be made by cash, check or draft, mailed or delivered on or before the due date for that payment. Any payments so made shall be binding on the heirs, devisees, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. 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 for any cause, this lease shall not terminate if lessee is then engaged in drilling operations, or within one hundred twenty (120) days after each such cessation of production commences or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the leased premises.

6. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well, but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to $1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due but it shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalties, including shut-in royalty, herein provided shall be paid to lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein reserved.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs 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.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations to growing crops on said land. When requested by lessor, lessee shall bury its pipelines which traverse cultivated lands below plow depth. No well shall be drilled nearer than two hundred (200) feet to a house or barn now on said premises, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all improvements, machinery, and fixtures placed or erected by lessee on said premises, including the right to pull and remove casings.

10. Lessee 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 above 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 heretofore been completed or upon which drilling operations have been commenced. Production, drilling or reworking operations or a well shut-in for any reason 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 under this lease. In lieu of the royalties elsewhere herein specified, 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.

[redacted] [redacted] [redacted]

11. Lessee shall have the right to unitize, pool, or combine all or any part of the land described above 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 the land described above 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.

12. 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 ownership of the land, royalties, or other payments, 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 ownership of said land or of the right to receive royalties or other payments 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 one hundred twenty (120) 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 and certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

13. In the interest of conservation, the protection of reservoir pressures and recovery of the greatest ultimate yield of oil and/or gas, lessee shall have the right to combine the leased premises with other premises in the same general area for the purpose of operating and maintaining repressuring and recycling facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no royalties shall be payable hereunder upon any gas used for repressuring and recycling operations benefitting the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with such lease to become effective upon expiration of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price and on the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this paragraph 14. Should lessee elect to purchase the lease pursuant to the terms hereof, it shall so notify lessor in writing by mail, telefax, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease for execution by lessor along with lessee's sight draft payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms thereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's bank of record for payment.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this lease. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. This lease shall never be forfeited or cancelled for failure to perform in whole or in part any of its implied covenants, conditions, or stipulations until a judicial determination is made that such failure exists and lessee fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessee's obligations and covenants hereunder, whether express or implied, shall be suspended at the time or from time to time as compliance with such obligations and covenants is prevented or hindered by or is in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as official by or under public authority claiming jurisdiction, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, lockouts, riots, or other conditions or circumstances not wholly controlled by lessee, and this lease shall not be terminated in whole or in part, nor lessee held liable in damages for failure to comply with any such obligations or covenants if compliance therewith is prevented or hindered by or is in conflict with any of the foregoing eventualities. The time during which lessee shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of the lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessee, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessor and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payments made by lessee for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of homestead.

WHEREOF witness our hands as of the day and year first above written.

x Robert L. Hallman

Robert L. Hallman, a married man, dealing in his sole and separate property, individually and as sole heir of the Estate of Janice M. Hallman, deceased, and as an heir of the Estate of Ann I. Muir, deceased

SS # 560-23-0520

STATE OF California
COUNTY OF Contra Costa } ss. INDIVIDUAL

On this 4th day of June, 1998, before me personally appeared Robert L. Hallman, a married man, dealing in his sole and separate property, individually and as sole heir of the Estate of Janice M. Hallman, deceased, and as an heir of the Estate of Ann I. Muir, deceased

to me known to be the person ____ described in, and who executed the foregoing instrument, and who acknowledged to me that ____ he ____ executed the same as his free act and deed, including the release and waiver of the right of homestead.

Given under my hand and seal this 4th day of June, 1998.

My commission expires:

LINDA P. SILVERA
COMM. # 1037508
Notary Public -- California
CONTRA COSTA COUNTY
My Comm. Expires AUG 28, 1998

Linda P. Silvera
Notary Public for the State of
residing at

STATE OF
COUNTY OF } ss. CORPORATE

On this ____ day of ____, 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.

Given under my hand and seal this ____ day of ____, 19 ____.

My commission expires:

Notary Public for the State of
residing at

EXHIBIT "A"
BONUS AGREEMENT FOR TOP LEASE

THIS AGREEMENT is made as of this 31st day of March, 1998, by the undersigned Lessor and the undersigned Lessee.

WHEREAS, the undersigned Lessor has executed and delivered to the undersigned Lessee an oil and gas lease dated as of March 31, 1998, covering certain lands in Sublette County, Wyoming (hereinafter called "Top Lease"):

WHEREAS, all or part of the lands and interests covered by the Top Lease are covered by the following described lease (hereinafter called "Prior Lease") which appears to be in force and effect at the date of this Agreement:

LESSOR: Janice M. Hallman, a widow, individually and as heir of Ann I. Muir, deceased
LESSEE: Contex Energy Company
DATED: December 29, 1993, and recorded in Book 96, page 184 of the Sublette County records

WHEREAS, in consideration for the Top Lease, the undersigned Lessor has been paid $332.50 by draft, which represents 25.00% of the total bonus payable to the undersigned Lessor if the Prior Lease did not exist;

WHEREAS, the 75.00% balance of the total bonus and all the paid-up rentals, in the amount of $997.50, shall be paid to Lessor if Lessee elects to exercise the Top Lease, by Lessee mailing to Lessor a check or draft for said amount on or before the expiration date of the Prior Lease.

NOW, THEREFORE, the parties hereto agree as follows:

1. The undersigned Lessor agrees that the Prior Lease will not be extended or renewed by the undersigned Lessor, except to the extent (if any) the Prior Lease presently contains an obligation to do so.

THIS AGREEMENT, is executed as of the date first written above, to be binding on and inure to the benefit of the parties hereto, and their heirs, devises, representatives, successors and assigns.

LESSOR:

x Robert Hallman

Robert L. Hallman, a married man, dealing in his sole and separate property, individually and as sole heir of the Estate of Janice M. Hallman, deceased, and as an heir of the Estate of Ann I. Muir, deceased

LESSEE:

BY: Dennis D Sandlerman

Hanson & Strahn, Inc.

Exhibit "B"
ADDENDUM TO PAID-UP OIL AND GAS LEASE

Attached to and made a part of that certain Oil and Gas Lease dated March 31, 1998, by and between Robert L. Hallman, a married man dealing in his sole and separate property, individually and as sole heir of the Estate of Janice M. Hallman, deceased, and as an heir of the Estate of Ann I. Muir, deceased, as Lessor, and Hanson & Strahn, Inc., as Lessee.

Paid-Up Oil and Gas Lease covering
Township 31 North, Range 113 West, 6th P.M.
Section 24: SW1/4SW1/4
Section 25: W1/2
Section 26: NE1/4NE1/4
Section 35: NE1/4SE1/4
Section 36: W1/2
Sublette County, Wyoming

In the event this lease is not continued beyond its primary term by the provisions herein contained, Lessee, its successors or assigns, has the option, but not the obligation, to extend this lease for an additional term of three (3) years from the 29th day of December, 2003, and as long thereafter as oil and gas or either of them is produced from said lands covered by this lease. Said extension to be under the terms and conditions as contained in this lease. This option to extend may be exercised by tendering to Lessor, their heirs, successors or assigns at the last known address, the sum of fifty dollars and 00/100 ($50.00) dollars per net mineral acre, on or before the expiration date of the first primary term of this lease.

Signed for Identification:

x _____

Robert L. Hallman, a married man, dealing in his sole and separate property, individually and as sole heir of the Estate of Janice M. Hallman, deceased, and as an heir of the Estate of Ann I. Muir, deceased

FIRST AMENDED AND RESTATED ASSIGNMENT OF PRODUCTION PAYMENT

THE STATE OF WYOMING)
) Ss.
COUNTY OF SUBLETTE)

Ultra Petroleum (USA), Inc., a Colorado corporation, and Ultra Resources, Inc., a Wyoming corporation (collectively, "Ultra"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver unto Halliburton Energy Services, Inc., a Delaware corporation ("Grantee"), a production payment (the "Production Payment") equal 33.8742% (a) from the oil, gas, and other minerals, including casinghead gas and all other liquid or gaseous substances produced therewith or derived or manufactured therefrom, whether or not such substances are hydrocarbons, which are produced, saved and sold from the wellbore of the specific well (the "Well") identified on Schedule 1 attached hereto, as such schedule may be amended from time to time, and (b) from any prepayments or payments in lieu of production from the Wells. The Production Payment shall be paid to Grantee until Payout, as defined in the Jonah Field Development Agreement.

1. *Definitions.*

1.1. "Jonah Field Development Agreement" means the First Amended and Restated Jonah Field Development Agreement, executed March 1, 1998, but effective May 30, 1997, between Ultra and Grantee, including the Contract Documents attached thereto.

1.2. "Net Revenue" means Ultra's ownership interest in and to production from a Well, after netting a sufficient portion of such production to result in proceeds sufficient for the payment of all applicable royalties, overriding royalties, severance taxes, ad valorem taxes and other taxes on or measured by production (but not income taxes), lease operating expenses (but not capital expenditures), and costs of third party gathering, dehydration, compression, processing, transportation and marketing attributable to such ownership interest.

1.3. All other capitalized terms used herein have the same meaning ascribed to such terms in the Jonah Field Development Agreement.

2. *General Provisions.*

2.1 *Subject to Jonah Field Development Agreement.* The Production Payment shall be subject in all respects to the terms and conditions of the Jonah Field Development Agreement, which is incorporated and made a part hereof by this reference; provided, however, that the termination or unenforceability of all or any portion of the Jonah Field Development Agreement for any reason (including, without limitation, the avoidance or failure to assume such contracts on behalf of Ultra's estate in any bankruptcy or insolvency proceedings), shall not terminate, limit, or affect in any way any provision of this assignment, including the incorporation of any terms, covenants, representations, or warranties therein.

2.2 *Payment to Grantee.* The purchasers of oil, gas and other minerals produced from the Wells shall make payment of the amounts due Grantee under this Production Payment directly to Ultra, which shall, by the end of the month after receipt of proceeds and after paying royalties, taxes, lease operating expenses, and other permissible costs, pay Grantee. Title to the production from the Wells shall belong to Grantee and such production shall either be marketed by Ultra for Grantee or, as provided below, be taken in kind by Grantee. Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds of the sale of production are paid and distributed in accordance with this paragraph. Each such payment to Grantee shall include a statement showing the gross production, purchase price, deductions for royalty, overriding royalty, taxes, lease operating expenses and costs of third party gathering, dehydration, compression, processing, transportation and marketing, as well as the net amount due Grantee.

2.3 *Release of Production Payment.* At Payout, Grantee shall execute and deliver to Ultra a release in recordable form of the Production Payment.

3. *Covenants of Ultra.* Until Payout, Ultra covenants and warrants for the benefit of Grantee as follows:

3.1 *Performance.* Ultra agrees to perform or cause to be performed all of its duties and obligations under the Contract Documents, including, without limitation, operation of the Wells in accordance with the terms of this Assignment and the Applicable Joint Operating Agreements; in good faith; in a workmanlike and prudent manner; in conformity with accepted and prudent oil and gas industry standards of operations; in full compliance in all material respects with all applicable federal, state and local laws, rules, and regulations; and in compliance with all expressed or implied obligations of the lessee under the concerned oil and gas leases, including, without limitation, the payment of all royalties, rentals, and other amounts due thereunder in a timely manner. Ultra shall pay or cause to be paid punctually before the same become delinquent, all severance, ad valorem, windfall profit, and other taxes applicable to Wells and concerned oil and gas

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RECORDED Sept. 15 1998 M 4:00p
IN BOOK 108 OF 6 PAGE 544
FEES $ 18.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Barton

leases; all billings for operating expenses, equipment, supplies, and services, including gathering, transportation, dehydration, processing and compression charges; and all burdens on production from the Wells. Ultra shall bear 100% of any penalties or interest incurred as a result of any failure to make timely payment of any such amounts.

3.2 *Production Maintenance.* Ultra shall use prudent, good faith, and reasonable efforts (and to devote sufficient numbers of its employees and adequate amounts of equipment and machinery) to maintain production from each Well at the efficient level allowed by the gatherer and purchaser of the production and any applicable government proration order to the extent that a market exists for such production.

3.3 *Other Actions.* After each Well is completed and placed on stream or shut in, as the case may be, and regardless of whether under the terms of this Agreement Ultra then serves as operator or is subsequently replaced as operator, Ultra shall to the extent permitted by the Applicable Joint Operating Agreement, take or cause to be taken all actions which, according to the practices of prudent operators (determined without regard to the existence of this Production Payment) may be necessary, appropriate, or desirable to protect against drainage and maximize the productive capacity of the Wells. If a Well, after initially establishing commercial production hereunder, must be plugged and abandoned prior to Payout, the concerned working interest owners in such Well shall have all responsibility, and shall pay all expenses associated with the plugging and abandoning of such Well (including the supplying of all necessary related facilities therefor). Such costs for plugging and abandonment shall not be considered lease operating expenses.

3.4 *Nature of Proceedings.* Ultra shall provide written notice to Grantee of every material adverse claim or demand made or threatened to be made by any person (including any government or governmental agency) affecting the Wells or the proceeds of production therefrom in any manner whatsoever, and of any proceeding instituted with respect thereto.

3.5 *Ultra Insurance.* Ultra shall maintain insurance as follows:

(a) All risk insurance covering replacement cost for loss or damage to the Wells, relating structures, equipment, machinery, lines, pipelines, facilities and similar items relating to the Wells and production therefrom;

(b) General and automobile liability insurance covering all operations of Ultra with minimum limits of $1,000,000, including contractual liability coverage; and

(c) Workers' compensation and employer's liability insurance covering all employees of Ultra.

3.6 *Insurance Policies.* Ultra's insurance shall include endorsements providing that (i.) the insurer will give 30 days advance written notice by registered mail to Grantee in the event of cancellation or material change in coverage, (ii.) the insurance be primary to, and not receive contribution from, any insurance maintained by or on behalf of Grantee and (iii.) the insurance shall not be reduced, voided, waived or in any other manner limited as respects Grantee in the event Grantee violates any warranties, terms or conditions of Grantee's insurance. Grantee shall not be responsible or liable for any deductibles, self-insured retention and/or premiums of Ultra's insurance.

3.7 *Proceeds of Casualty Loss.* Insurance proceeds as a result of casualty damage to the Wells, or to structures, equipment, machinery, facilities, and similar items related to the Wells paid for by Ultra, to the extent of the cost of replacing and repairing such property shall be applied to repair or replace such property. Such insurance proceeds to the extent they exceed the costs incurred to repair or replace the damaged or destroyed property (or if the damaged or destroyed property is not repaired or replaced), shall be paid to Grantee and shall be credited to the Payout Account.

3.8 *Waiver of Subrogation Rights.* The policy required by paragraph 3.5(a) above shall include Grantee as a loss payee to the extent of Grantee's interest, and shall also include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. The policies required under paragraph 3.5(c) above shall name Grantee as an additional insured to the extent of liabilities or obligations assumed by Grantee. The policies required by 3.5(c) above shall include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. It is also agreed that Grantee shall provide for waivers of subrogation in policies Grantee may carry in favor of Customer to the extent of liabilities or obligations assumed by Grantee.

3.9 *Marketing.* Ultra will use prudent, good faith, reasonable and diligent efforts, at no expense (other than third party charges) to Grantee, to market any and all hydrocarbons or other valuable minerals produced from each Well and in performing the obligations and exercising the rights of the producers of gas under all gas purchase contracts to which the Wells are subject, including, without limitation, to provide for the sale of such hydrocarbons at the wellhead at the highest price obtainable in the field for similar production quantity and quality, to maintain the percentage of the maximum efficient delivery capacity of the Wells taken by the purchasers at the highest possible level, to assure the connection of each Well as promptly as possible to the purchaser's pipeline systems, to provide sufficient compression for maximum deliverability, to provide adequate salt water disposal wells in order to maintain maximum production, to determine proper compliance by the purchasers with applicable take or pay provisions,

and to initiate as promptly as possible any price redetermination procedures that would result in higher prices for gas sold. If necessary upon completion, Ultra shall construct or cause to be constructed all gathering lines, connecting lines, pipelines, salt water disposal wells, and shall provide all compression facilities and equipment necessary to permit any oil or gas produced from the Wells to be produced and delivered into tank batteries or the gas purchaser's system, as applicable. Grantee shall not be obligated to fund any part of the cost for constructing or providing such pipelines, facilities, and equipment and no part of such costs (other than monthly operating expenses) shall be chargeable against the Production Payment. Any payment received by Ultra (including without limitation a "take-or-pay" payment) that arises from a contractual provision which requires a purchaser to pay for a specified quantity of natural gas even though it is not taken by such purchasers and which payment is attributable to production not taken by such purchaser from a Well, shall be treated for purposes of such assignment as proceeds of production and Grantee shall receive its proportionate part of any such payment. Unless required to do so by a court or governmental authority for *force majeure*, Ultra will not shut in any producing well as to which Grantee has a Production Payment assignment for more than thirty (30) days without giving prior written notice to Grantee of such contemplated action.

3.10 *Take in Kind.* In the event that (a) the volume of gas taken by the purchaser of production from the Wells drilled hereunder shall fall below 40% of the Wells' maximum prudent deliverability on average for 90 consecutive days; or (b) if the weighted average price for natural gas (net of reimbursement of production-related taxes and the transportation costs) should be less than $1.00 per MMBtu for any consecutive period of 90 days; then, upon ten days' prior written notice, and subject to all applicable gas contracts and dedications, Grantee shall have the right and power to take in kind or separately dispose of its share of all oil and gas produced from any such Well, and Ultra shall have no right or power to sell or make any commitment with respect to Grantee's share of any such production. In that event, any extra expenditure incurred in the taking in kind or separate disposition by Grantee of its share of the production shall be borne by Grantee. Notwithstanding the preceding provisions of this paragraph to the contrary, Grantee shall not commence to take in kind its share of any gas produced from any Wells until Ultra and Grantee have entered into a mutually acceptable gas balancing agreement that governs the accounting between the respective accounts of Ultra and Grantee if Grantee's separate disposition of its share of such gas would cause split-stream deliveries to separate pipelines and/or deliveries that on a day-to-day basis for any reason are not exactly equal to their respective proportionate shares of total gas sales. In such event, Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds from the sale of such production are paid to Grantee. If Grantee elects to take in kind its share of gas produced from any Wells, and if any agreement entered into by Grantee for the sale of such gas expires prior to Payout with respect to the Wells, Ultra shall have the first right again to take and market such gas, provided Ultra can demonstrate to Grantee's reasonable satisfaction, within 30 days, that Ultra has markets for all such volumes of gas at prices at lease equal to those obtainable by Grantee. If Grantee elects to take in kind its share of gas from any Wells, and if Payout occurs with respect to the Wells prior to the expiration of any agreement entered into by Grantee for the sale of such gas, Grantee shall execute all such documents and instruments as may be necessary to assign to Ultra all of the rights, titles, and interest of Grantee under the terms of the relevant agreement. If taken in kind, Grantee agrees that it shall not market such gas in a manner as will subject Ultra, its affiliates, or its gas to federal regulation under the NGPA or FERC or any successor or similar regulatory authority.

3.11 *Defense of Interests.* Ultra shall, until such time as the Payout Account is paid in full, cause all necessary and proper steps to be taken, at Ultra's expense, diligently to protect and defend the interest of Grantee under the Production Payment and proceeds of production attributable thereto against any adverse claim or demand.

3.12 *Obligation to Transport and Transmit Gas.* To the extent that Ultra, its subsidiaries or affiliated companies, owns any interest in or operates a pipeline, connecting line, or gathering line over which gas and condensable liquids from the Wells are or may be gathered, transported or transmitted to a connection where the gas and condensable liquids may be sold to a third party purchaser ("Ultra's Pipeline"), Ultra shall gather and transport, through Ultra's Pipeline, the gas and condensable liquids produced from the Wells on a ratable and nondiscriminatory basis to the extent of its available system capacity. Such obligation shall not be impaired or reduced by any election of Grantee to take gas in kind, provided that (a) Grantee shall pay to Ultra's Pipeline the lower of the applicable tariff or the lowest rate being charged by such pipeline to other producers in the same general area to gather and transport gas and condensable liquids under similar conditions, and (b) such transportation shall not subject Ultra's Pipeline to federal regulation under the NGPA or the FERC or any successor or similar regulatory agency. The maximum tariff payable to Ultra's Pipeline to transport gas and condensable liquids produced from the Wells shall not exceed the lesser of the rate paid by other operators on Ultra's Pipeline or $0.05 per MMBtu during the term of this Agreement and until Payout. Grantee recognizes that to market such take-in-kind gas may cause to be incurred third party transportation charges over which Ultra has no control and which are expressly

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excluded from the amounts paid to Ultra for transportation on Ultra's Pipeline. For purposes of this paragraph, R.I.S. Resources, Inc., its subsidiaries and affiliates, shall not be considered subsidiaries or affiliates of Ultra.

3.13 *Metering and Allocations.* Gas produced and sold from the Wells completed hereunder will be measured at the wellhead prior to commingling with any other gas stream. Copies of measurement tests and monthly volume statements provided by gas purchaser or gas gatherer for the subject wells will be available to Grantee from Ultra. Upon request by Grantee, Ultra shall provide Grantee with advance written notice of any meter test or calibration so that Grantee may have a witness present. Ultra shall contract with its gas gatherer to maintain sufficient facilities to be able to conduct sufficient tests for each Well, so as to be able to allocate the quantities of gas produced back to the Well producing such Gas within a degree of accuracy normally acceptable within the industry for Gas and wells of this nature. Ultra shall provide the results of all such tests to Grantee within ten (10) days after completion of the tests. Grantee shall have the right to inspect the production facilities, surface equipment, and meters, to be able to verify the tests and allocations of production. Oil and condensate produced from the Wells will be stored and measured separately, before commingling with other well streams. Grantee shall have the right, at its own expense, to determine production and measurement accuracy.

3.14 *Subsequent Operations or AFE Proposals.* Ultra shall not propose any subsequent operation to the Well pursuant to an Applicable Joint Operating Agreement without Grantee's prior written approval. If any Authority for Expenditure is proposed by an interest owner other than Ultra that includes capital expenditures for any subsequent operation on a Well, Ultra shall elect to participate in such proposal and shall fund its pro rata portion of such operation or expenditure; *provided, however*, that upon the mutual agreement of Ultra and Grantee, Ultra shall not be obligated to participate in such proposal. Ultra agrees that capital expenditures required to fund a subsequent operation shall not be deducted in determining Ultra's Net Revenue, but any amounts paid by Grantee on account of such operations shall be included in calculating Payout.

3.15 *Non*-Consent Alternative Payments. If Grantee ceases receiving revenue attributable to a Well because Ultra's Interest goes into a Non-Consent Status and Grantee has not provided prior written consent to such Non-Consent Status, Ultra shall pay to Grantee monthly a Non-Consent Alternative Payment. The Non-Consent Alternative Payment shall be treated as the amount that Grantee would otherwise have been entitled to receive under the Production Payment assuming Ultra's Interest had not been in Non-Consent Status. Ultra shall continue paying to Grantee monthly the Non-Consent Alternative Payment so long as Grantee receives less than the revenue to which Grantee would have been entitled but for Ultra's Non-Consent Status. The Non-Consent Alternative Payments received by Grantee shall be credited to the Payout Account and treated as revenue attributable to the Production Payment. The Non-consent Alternative Payments shall cease on the earliest of (a) the date Grantee begins receiving revenue from the Well as to which Ultra's Interest was previously in a Non-Consent Status; or (b) the date Payout occurs. "Non-Consent Alternative Payment" means the amount payable to Grantee by Ultra attributable to a Well covered by a Production Payment as to which the Ultra Interest is in Non-Consent Status, calculated by taking the average of the monthly payments due to Grantee attributable to the Well for the twelve-month period immediately preceding the cessation of payments to Grantee. If the Production Payment has not been effective for twelve months, then the calculation shall be based upon the amount that would have been payable to Grantee as if the Production Payment had been effective for such preceding twelve-month period. "Non-Consent Status" as to an interest in a Well means that, because of subsequent operation on a Well and due to the terms of the Applicable Joint Operating Agreement, an interest owner ceases to receive, or have the right to receive, revenue attributable to such interest due to the interest owner's either (a) failing to make an election with regard to a proposed operation or (b) affirmatively declining to participate in a proposed operation.

3.16 *Third-Party Non-Consent Interests.* In the event that the working interest of any Non-Participating Interest Owner in a Well shall be acquired by Ultra pursuant to the Non-Participating Interest Owner's interest, or any part thereof, being placed in a Non-Consent Status and being funded by Ultra, then that portion of the Non-Participating Interest Owner's interest that is in Non-Consent Status and that is acquired by Ultra shall be included in Ultra's Net Revenue.

4. Representations and Warranties of Ultra.

4.1 *Special Warranty of Title.* Ultra shall warrant and forever defend title (other than as to ad valorem taxes not yet due and liens subordinated to this Production Payment) to all the interests hereby assigned and conveyed unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming the same or to claim the same or any part thereof by, through or under Ultra, but not otherwise. Ultra warrants that (i.) it, together with any Ratifying Parties, owns not less than a 63.75% working interest in the Wells in the Stud Horse Butte Prospect and not less than a 37.5% working interest in all other Wells shown on Schedule 1 and (ii.) all mineral interests in the spacing unit applicable to each Well are leased and subject to an Applicable Joint Operating Agreement.

4.2 *Other Representations and Warranties.* All of the other representations and warranties of Ultra contained in the Jonah Field Development Agreement are true and correct as of the date hereof.

5. *Default.* Any default under the Jonah Field Development Agreement shall be deemed to be a default in connection with the Production Payment, and Grantee shall thereupon be entitled to enforce the applicable remedies set forth in the Jonah Field Development Agreement.

6. *Miscellaneous.*

6.1 Covenants *Run with the Land.* All the covenants and agreements of Ultra herein contained shall be deemed to be covenants running with the land and shall be binding upon all successors in interest to Ultra and shall inure to the benefit of all successors in interest to Grantee.

6.2 *Successors and Assigns.* The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. All references herein to any of the parties hereto shall include their respective successors and assigns.

6.3 *Ratable Takes.* All gas purchases by a purchaser from the Wells dedicated to such purchaser shall be applied ratably, in proportion to the deliverability, to all wells in which Ultra or any affiliate has an interest and from which gas is dedicated in whole or in part to such purchasers.

6.4 *Prior Title Warranties.* This assignment is made with full substitution and subrogation of Grantee in and to all covenants of warranty by others heretofore given or made with respect to the Wells, underlying oil and gas leases, or any part thereof or interest therein.

6.5 *No Partnership.* None of the representations, warranties, covenants, or other provisions contained or incorporated herein shall, or shall be deemed to, give any party the right or power to exercise control over the affairs and/or management of any other party, nor to classify Grantee other than as an independent contractor having no agency, partnership, joint venture, or unaffiliated relationship with Ultra.

6.6 *Severability.* If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this assignment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

6.7 *Governing Law.* This assignment shall be governed by and interpreted in accordance with the laws of the State of Wyoming and the United States of America.

7. *Additional Instruments.* Ultra agrees to execute such other and additional instruments as may be necessary in order that Grantee may full enjoy all of the respective rights herein granted or intended to be granted pursuant to the Jonah Field Development Agreement.

8. *Effective Date.* This Assignment of Production Payment shall not enter into effect until all necessary approvals have been secured from the Vancouver Stock Exchange; provided, however, that when this Assignment does enter into effect, it shall be deemed to have been effective from and after date of first production from the Wells.

EXECUTED THIS 30th DAY OF JUNE, 1998.

ULTRA:
ULTRA PETROLEUM (USA), INC.

By: _____
R. G. "Jerry" Albertus, President

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus, President

GRANTEE:
HALLIBURTON ENERGY SERVICES, INC.

By: _____
Bob Verrett, Vice President Integrated Solutions
Halliburton Energy Services Division

REVIEWED
OPERATIONS
LEGAL
SHDSVS

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Petroleum (USA), Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Resources, Inc., a Wyoming corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF TEXAS)
) Ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 21st day of July, 1998, by Bob Verrett, Vice President Integrated Solutions, Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

DONNA BUTTLES
MY COMMISSION EXPIRES
March 14, 2002

NOTARY PUBLIC

SCHEDULE 1

Well Name	Location
Stud Horse Butte 5-24	Township 29 North, Range 108 West Section 24: SW/4NW/4 Sublette County, Wyoming

After recording return to:

Judd Oualline
Morris & Campbell
600 Jefferson, Suite 800
Houston, Texas 77002

[redacted] [redacted] [redacted]

FIRST AMENDED AND RESTATED ASSIGNMENT OF PRODUCTION PAYMENT

THE STATE OF WYOMING)
) Ss.
COUNTY OF SUBLETTE)

Ultra Petroleum (USA), Inc., a Colorado corporation, and Ultra Resources, Inc., a Wyoming corporation (collectively, "Ultra"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver unto Halliburton Energy Services, Inc., a Delaware corporation ("Grantee"), a production payment (the "Production Payment") equal to 34.425% (a) from the oil, gas, and other minerals, including casinghead gas and all other liquid or gaseous substances produced therewith or derived or manufactured therefrom, whether or not such substances are hydrocarbons, which are produced, saved and sold from the wellbore of the specific well (the "Well") identified on Schedule 1 attached hereto, as such schedule may be amended from time to time, and (b) from any prepayments or payments in lieu of production from the Wells. The Production Payment shall be paid to Grantee until Payout, as defined in the Jonah Field Development Agreement.

1. *Definitions.*

1.1. "Jonah Field Development Agreement" means the First Amended and Restated Jonah Field Development Agreement, executed March 1, 1998, but effective May 30, 1997, between Ultra and Grantee, including the Contract Documents attached thereto.

1.2. "Net Revenue" means Ultra's ownership interest in and to production from a Well, after netting a sufficient portion of such production to result in proceeds sufficient for the payment of all applicable royalties, overriding royalties, severance taxes, ad valorem taxes and other taxes on or measured by production (but not income taxes), lease operating expenses (but not capital expenditures), and costs of third party gathering, dehydration, compression, processing, transportation and marketing attributable to such ownership interest.

1.3. All other capitalized terms used herein have the same meaning ascribed to such terms in the Jonah Field Development Agreement.

2. *General Provisions.*

2.1 *Subject to Jonah Field Development Agreement.* The Production Payment shall be subject in all respects to the terms and conditions of the Jonah Field Development Agreement, which is incorporated and made a part hereof by this reference; provided, however, that the termination or unenforceability of all or any portion of the Jonah Field Development Agreement for any reason (including, without limitation, the avoidance or failure to assume such contracts on behalf of Ultra's estate in any bankruptcy or insolvency proceedings), shall not terminate, limit, or affect in any way any provision of this assignment, including the incorporation of any terms, covenants, representations, or warranties therein.

2.2 *Payment to Grantee.* The purchasers of oil, gas and other minerals produced from the Wells shall make payment of the amounts due Grantee under this Production Payment directly to Ultra, which shall, by the end of the month after receipt of proceeds and after paying royalties, taxes, lease operating expenses, and other permissible costs, pay Grantee. Title to the production from the Wells shall belong to Grantee and such production shall either be marketed by Ultra for Grantee or, as provided below, be taken in kind by Grantee. Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds of the sale of production are paid and distributed in accordance with this paragraph. Each such payment to Grantee shall include a statement showing the gross production, purchase price, deductions for royalty, overriding royalty, taxes, lease operating expenses and costs of third party gathering, dehydration, compression, processing, transportation and marketing, as well as the net amount due Grantee.

2.3 *Release of Production Payment.* At Payout, Grantee shall execute and deliver to Ultra a release in recordable form of the Production Payment.

3. *Covenants of Ultra.* Until Payout, Ultra covenants and warrants for the benefit of Grantee as follows:

3.1 *Performance.* Ultra agrees to perform or cause to be performed all of its duties and obligations under the Contract Documents, including, without limitation, operation of the Wells in accordance with the terms of this Assignment and the Applicable Joint Operating Agreements; in good faith; in a workmanlike and prudent manner; in conformity with accepted and prudent oil and gas industry standards of operations; in full compliance in all material respects with all applicable federal, state and local laws, rules, and regulations; and in compliance with all expressed or implied obligations of the lessee under the concerned oil and gas leases, including, without limitation, the payment of all royalties, rentals, and other amounts due thereunder in a timely manner. Ultra shall pay or cause to be paid punctually before the same become delinquent, all severance, ad valorem, windfall profit, and other taxes applicable to Wells and concerned oil and gas

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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Loxton

551

leases; all billings for operating expenses, equipment, supplies, and services, including gathering, transportation, dehydration, processing and compression charges; and all burdens on production from the Wells. Ultra shall bear 100% of any penalties or interest incurred as a result of any failure to make timely payment of any such amounts.

3.2 *Production Maintenance*. Ultra shall use prudent, good faith, and reasonable efforts (and to devote sufficient numbers of its employees and adequate amounts of equipment and machinery) to maintain production from each Well at the efficient level allowed by the gatherer and purchaser of the production and any applicable government proration order to the extent that a market exists for such production.

3.3 *Other Actions*. After each Well is completed and placed on stream or shut in, as the case may be, and regardless of whether under the terms of this Agreement Ultra then serves as operator or is subsequently replaced as operator, Ultra shall to the extent permitted by the Applicable Joint Operating Agreement, take or cause to be taken all actions which, according to the practices of prudent operators (determined without regard to the existence of this Production Payment) may be necessary, appropriate, or desirable to protect against drainage and maximize the productive capacity of the Wells. If a Well, after initially establishing commercial production hereunder, must be plugged and abandoned prior to Payout, the concerned working interest owners in such Well shall have all responsibility, and shall pay all expenses associated with the plugging and abandoning of such Well (including the supplying of all necessary related facilities therefor). Such costs for plugging and abandonment shall not be considered lease operating expenses.

3.4 *Nature of Proceedings*. Ultra shall provide written notice to Grantee of every material adverse claim or demand made or threatened to be made by any person (including any government or governmental agency) affecting the Wells or the proceeds of production therefrom in any manner whatsoever, and of any proceeding instituted with respect thereto.

3.5 *Ultra Insurance*. Ultra shall maintain insurance as follows:

(a) All risk insurance covering replacement cost for loss or damage to the Wells, relating structures, equipment, machinery, lines, pipelines, facilities and similar items relating to the Wells and production therefrom;

(b) General and automobile liability insurance covering all operations of Ultra with minimum limits of $1,000,000, including contractual liability coverage; and

(c) Workers' compensation and employer's liability insurance covering all employees of Ultra.

3.6 *Insurance Policies*. Ultra's insurance shall include endorsements providing that (i.) the insurer will give 30 days advance written notice by registered mail to Grantee in the event of cancellation or material change in coverage, (ii.) the insurance be primary to, and not receive contribution from, any insurance maintained by or on behalf of Grantee and (iii.) the insurance shall not be reduced, voided, waived or in any other manner limited as respects Grantee in the event Grantee violates any warranties, terms or conditions of Grantee's insurance. Grantee shall not be responsible or liable for any deductibles, self-insured retention and/or premiums of Ultra's insurance.

3.7 *Proceeds of Casualty Loss*. Insurance proceeds as a result of casualty damage to the Wells, or to structures, equipment, machinery, facilities, and similar items related to the Wells paid for by Ultra, to the extent of the cost of replacing and repairing such property shall be applied to repair or replace such property. Such insurance proceeds to the extent they exceed the costs incurred to repair or replace the damaged or destroyed property (or if the damaged or destroyed property is not repaired or replaced), shall be paid to Grantee and shall be credited to the Payout Account.

3.8 *Waiver of Subrogation Rights*. The policy required by paragraph 3.5(a) above shall include Grantee as a loss payee to the extent of Grantee's interest, and shall also include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. The policies required under paragraph 3.5(c) above shall name Grantee as an additional insured to the extent of liabilities or obligations assumed by Grantee. The policies required by 3.5(c) above shall include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. It is also agreed that Grantee shall provide for waivers of subrogation in policies Grantee may carry in favor of Customer to the extent of liabilities or obligations assumed by Grantee.

3.9 *Marketing*. Ultra will use prudent, good faith, reasonable and diligent efforts, at no expense (other than third party charges) to Grantee, to market any and all hydrocarbons or other valuable minerals produced from each Well and in performing the obligations and exercising the rights of the producers of gas under all gas purchase contracts to which the Wells are subject, including, without limitation, to provide for the sale of such hydrocarbons at the wellhead at the highest price obtainable in the field for similar production quantity and quality, to maintain the percentage of the maximum efficient delivery capacity of the Wells taken by the purchasers at the highest possible level, to assure the connection of each Well as promptly as possible to the purchaser's pipeline systems, to provide sufficient compression for maximum deliverability, to provide adequate salt water disposal wells in order to maintain maximum production, to determine proper compliance by the purchasers with applicable take or pay provisions,

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and to initiate as promptly as possible any price redetermination procedures that would result in higher prices for gas sold. If necessary upon completion, Ultra shall construct or cause to be constructed all gathering lines, connecting lines, pipelines, salt water disposal wells, and shall provide all compression facilities and equipment necessary to permit any oil or gas produced from the Wells to be produced and delivered into tank batteries or the gas purchaser's system, as applicable. Grantee shall not be obligated to fund any part of the cost for constructing or providing such pipelines, facilities, and equipment and no part of such costs (other than monthly operating expenses) shall be chargeable against the Production Payment. Any payment received by Ultra (including without limitation a "take-or-pay" payment) that arises from a contractual provision which requires a purchaser to pay for a specified quantity of natural gas even though it is not taken by such purchasers and which payment is attributable to production not taken by such purchaser from a Well, shall be treated for purposes of such assignment as proceeds of production and Grantee shall receive its proportionate part of any such payment. Unless required to do so by a court or governmental authority for *force majeure*, Ultra will not shut in any producing well as to which Grantee has a Production Payment assignment for more than thirty (30) days without giving prior written notice to Grantee of such contemplated action.

3.10 *Take in Kind.* In the event that (a) the volume of gas taken by the purchaser of production from the Wells drilled hereunder shall fall below 40% of the Wells' maximum prudent deliverability on average for 90 consecutive days; or (b) if the weighted average price for natural gas (net of reimbursement of production-related taxes and the transportation costs) should be less than $1.00 per MMBtu for any consecutive period of 90 days; then, upon ten days' prior written notice, and subject to all applicable gas contracts and dedications, Grantee shall have the right and power to take in kind or separately dispose of its share of all oil and gas produced from any such Well, and Ultra shall have no right or power to sell or make any commitment with respect to Grantee's share of any such production. In that event, any extra expenditure incurred in the taking in kind or separate disposition by Grantee of its share of the production shall be borne by Grantee. Notwithstanding the preceding provisions of this paragraph to the contrary, Grantee shall not commence to take in kind its share of any gas produced from any Wells until Ultra and Grantee have entered into a mutually acceptable gas balancing agreement that governs the accounting between the respective accounts of Ultra and Grantee if Grantee's separate disposition of its share of such gas would cause split-stream deliveries to separate pipelines and/or deliveries that on a day-to-day basis for any reason are not exactly equal to their respective proportionate shares of total gas sales. In such event, Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds from the sale of such production are paid to Grantee. If Grantee elects to take in kind its share of gas produced from any Wells, and if any agreement entered into by Grantee for the sale of such gas expires prior to Payout with respect to the Wells, Ultra shall have the first right again to take and market such gas, provided Ultra can demonstrate to Grantee's reasonable satisfaction, within 30 days, that Ultra has markets for all such volumes of gas at prices at lease equal to those obtainable by Grantee. If Grantee elects to take in kind its share of gas from any Wells, and if Payout occurs with respect to the Wells prior to the expiration of any agreement entered into by Grantee for the sale of such gas, Grantee shall execute all such documents and instruments as may be necessary to assign to Ultra all of the rights, titles, and interest of Grantee under the terms of the relevant agreement. If taken in kind, Grantee agrees that it shall not market such gas in a manner as will subject Ultra, its affiliates, or its gas to federal regulation under the NGPA or FERC or any successor or similar regulatory authority.

3.11 *Defense of Interests.* Ultra shall, until such time as the Payout Account is paid in full, cause all necessary and proper steps to be taken, at Ultra's expense, diligently to protect and defend the interest of Grantee under the Production Payment and proceeds of production attributable thereto against any adverse claim or demand.

3.12 *Obligation to Transport and Transmit Gas.* To the extent that Ultra, its subsidiaries or affiliated companies, owns any interest in or operates a pipeline, connecting line, or gathering line over which gas and condensable liquids from the Wells are or may be gathered, transported or transmitted to a connection where the gas and condensable liquids may be sold to a third party purchaser ("Ultra's Pipeline"), Ultra shall gather and transport, through Ultra's Pipeline, the gas and condensable liquids produced from the Wells on a ratable and nondiscriminatory basis to the extent of its available system capacity. Such obligation shall not be impaired or reduced by any election of Grantee to take gas in kind, provided that (a) Grantee shall pay to Ultra's Pipeline the lower of the applicable tariff or the lowest rate being charged by such pipeline to other producers in the same general area to gather and transport gas and condensable liquids under similar conditions, and (b) such transportation shall not subject Ultra's Pipeline to federal regulation under the NGPA or the FERC or any successor or similar regulatory agency. The maximum tariff payable to Ultra's Pipeline to transport gas and condensable liquids produced from the Wells shall not exceed the lesser of the rate paid by other operators on Ultra's Pipeline or $0.05 per MMBtu during the term of this Agreement and until Payout. Grantee recognizes that to market such take-in-kind gas may cause to be incurred third party transportation charges over which Ultra has no control and which are expressly

excluded from the amounts paid to Ultra for transportation on Ultra's Pipeline. For purposes of this paragraph, R.I.S. Resources, Inc., its subsidiaries and affiliates, shall not be considered subsidiaries or affiliates of Ultra.

3.13 *Metering and Allocations.* Gas produced and sold from the Wells completed hereunder will be measured at the wellhead prior to commingling with any other gas stream. Copies of measurement tests and monthly volume statements provided by gas purchaser or gas gatherer for the subject wells will be available to Grantee from Ultra. Upon request by Grantee, Ultra shall provide Grantee with advance written notice of any meter test or calibration so that Grantee may have a witness present. Ultra shall contract with its gas gatherer to maintain sufficient facilities to be able to conduct sufficient tests for each Well, so as to be able to allocate the quantities of gas produced back to the Well producing such Gas within a degree of accuracy normally acceptable within the industry for Gas and wells of this nature. Ultra shall provide the results of all such tests to Grantee within ten (10) days after completion of the tests. Grantee shall have the right to inspect the production facilities, surface equipment, and meters, to be able to verify the tests and allocations of production. Oil and condensate produced from the Wells will be stored and measured separately, before commingling with other well streams. Grantee shall have the right, at its own expense, to determine production and measurement accuracy.

3.14 *Subsequent Operations or AFE Proposals.* Ultra shall not propose any subsequent operation to the Well pursuant to an Applicable Joint Operating Agreement without Grantee's prior written approval. If any Authority for Expenditure is proposed by an interest owner other than Ultra that includes capital expenditures for any subsequent operation on a Well, Ultra shall elect to participate in such proposal and shall fund its pro rata portion of such operation or expenditure; *provided, however*, that upon the mutual agreement of Ultra and Grantee, Ultra shall not be obligated to participate in such proposal. Ultra agrees that capital expenditures required to fund a subsequent operation shall not be deducted in determining Ultra's Net Revenue, but any amounts paid by Grantee on account of such operations shall be included in calculating Payout.

3.15 *Non*-Consent Alternative Payments. If Grantee ceases receiving revenue attributable to a Well because Ultra's Interest goes into a Non-Consent Status and Grantee has not provided prior written consent to such Non-Consent Status, Ultra shall pay to Grantee monthly a Non-Consent Alternative Payment. The Non-Consent Alternative Payment shall be treated as the amount that Grantee would otherwise have been entitled to receive under the Production Payment assuming Ultra's Interest had not been in Non-Consent Status. Ultra shall continue paying to Grantee monthly the Non-Consent Alternative Payment so long as Grantee receives less than the revenue to which Grantee would have been entitled but for Ultra's Non-Consent Status. The Non-Consent Alternative Payments received by Grantee shall be credited to the Payout Account and treated as revenue attributable to the Production Payment. The Non-consent Alternative Payments shall cease on the earliest of (a) the date Grantee begins receiving revenue from the Well as to which Ultra's Interest was previously in a Non-Consent Status; or (b) the date Payout occurs. "Non-Consent Alternative Payment" means the amount payable to Grantee by Ultra attributable to a Well covered by a Production Payment as to which the Ultra Interest is in Non-Consent Status, calculated by taking the average of the monthly payments due to Grantee attributable to the Well for the twelve-month period immediately preceding the cessation of payments to Grantee. If the Production Payment has not been effective for twelve months, then the calculation shall be based upon the amount that would have been payable to Grantee as if the Production Payment had been effective for such preceding twelve-month period. "Non-Consent Status" as to an interest in a Well means that, because of subsequent operation on a Well and due to the terms of the Applicable Joint Operating Agreement, an interest owner ceases to receive, or have the right to receive, revenue attributable to such interest due to the interest owner's either (a) failing to make an election with regard to a proposed operation or (b) affirmatively declining to participate in a proposed operation.

3.16 *Third-Party Non-Consent Interests.* In the event that the working interest of any Non-Participating Interest Owner in a Well shall be acquired by Ultra pursuant to the Non-Participating Interest Owner's interest, or any part thereof, being placed in a Non-Consent Status and being funded by Ultra, then that portion of the Non-Participating Interest Owner's interest that is in Non-Consent Status and that is acquired by Ultra shall be included in Ultra's Net Revenue.

4. *Representations and Warranties of Ultra.*

4.1 *Special Warranty of Title.* Ultra shall warrant and forever defend title (other than as to ad valorem taxes not yet due and liens subordinated to this Production Payment) to all the interests hereby assigned and conveyed unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming the same or to claim the same or any part thereof by, through or under Ultra, but not otherwise. Ultra warrants that (i.) it, together with any Ratifying Parties, owns not less than a 63.75% working interest in the Wells in the Stud Horse Butte Prospect and not less than a 37.5% working interest in all other Wells shown on Schedule 1 and (ii.) all mineral interests in the spacing unit applicable to each Well are leased and subject to an Applicable Joint Operating Agreement.

[redacted] [redacted] [redacted]

4.2 *Other Representations and Warranties.* All of the other representations and warranties of Ultra contained in the Jonah Field Development Agreement are true and correct as of the date hereof.

5. *Default.* Any default under the Jonah Field Development Agreement shall be deemed to be a default in connection with the Production Payment, and Grantee shall thereupon be entitled to enforce the applicable remedies set forth in the Jonah Field Development Agreement.

6. *Miscellaneous.*

6.1 Covenants *Run with the Land.* All the covenants and agreements of Ultra herein contained shall be deemed to be covenants running with the land and shall be binding upon all successors in interest to Ultra and shall inure to the benefit of all successors in interest to Grantee.

6.2 *Successors and Assigns.* The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. All references herein to any of the parties hereto shall include their respective successors and assigns.

6.3 *Ratable Takes.* All gas purchases by a purchaser from the Wells dedicated to such purchaser shall be applied ratably, in proportion to the deliverability, to all wells in which Ultra or any affiliate has an interest and from which gas is dedicated in whole or in part to such purchasers.

6.4 *Prior Title Warranties.* This assignment is made with full substitution and subrogation of Grantee in and to all covenants of warranty by others heretofore given or made with respect to the Wells, underlying oil and gas leases, or any part thereof or interest therein.

6.5 *No Partnership.* None of the representations, warranties, covenants, or other provisions contained or incorporated herein shall, or shall be deemed to, give any party the right or power to exercise control over the affairs and/or management of any other party, nor to classify Grantee other than as an independent contractor having no agency, partnership, joint venture, or unaffiliated relationship with Ultra.

6.6 *Severability.* If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this assignment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

6.7 *Governing Law.* This assignment shall be governed by and interpreted in accordance with the laws of the State of Wyoming and the United States of America.

7. *Additional Instruments.* Ultra agrees to execute such other and additional instruments as may be necessary in order that Grantee may full enjoy all of the respective rights herein granted or intended to be granted pursuant to the Jonah Field Development Agreement.

8. *Effective Date.* This Assignment of Production Payment shall not enter into effect until all necessary approvals have been secured from the Vancouver Stock Exchange; provided, however, that when this Assignment does enter into effect, it shall be deemed to have been effective from and after date of first production from the Wells.

EXECUTED THIS 30th DAY OF JUNE, 1998.

ULTRA:
ULTRA PETROLEUM (USA), INC.

By: _____
R. G. "Jerry" Albertus, President

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus, President

GRANTEE:
HALLIBURTON ENERGY SERVICES, INC.

By: _____
Bob Verrett, Vice President Integrated Solutions
Halliburton Energy Services Division

REVIEWED
OPERATIONS
LEGAL
SHDSVS

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Petroleum (USA), Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Resources, Inc., a Wyoming corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF TEXAS)
) Ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 21st day of July, 1998, by Bob Verrett, Vice President Integrated Solutions, Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

Donna Buttles
NOTARY PUBLIC

My commission expires:
DONNA BUTTLES
MY COMMISSION EXPIRES
March 14, 2002

[redacted] [redacted] [redacted]

SCHEDULE 1

Well Name	Location
Stud Horse Butte 7-21	Township 29 North, Range 108 West Section 21: SW/4NE/4 Sublette County, Wyoming

After recording return to:

Judd Oualline
Morris & Campbell
600 Jefferson, Suite 800
Houston, Texas 77002

557

FIRST AMENDED AND RESTATED ASSIGNMENT OF PRODUCTION PAYMENT

THE STATE OF WYOMING)
) Ss.
COUNTY OF SUBLETTE)

Ultra Petroleum (USA), Inc., a Colorado corporation, and Ultra Resources, Inc., a Wyoming corporation (collectively, "Ultra"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver unto Halliburton Energy Services, Inc., a Delaware corporation ("Grantee"), a production payment (the "Production Payment") equal 25.646625% (a) from the oil, gas, and other minerals, including casinghead gas and all other liquid or gaseous substances produced therewith or derived or manufactured therefrom, whether or not such substances are hydrocarbons, which are produced, saved and sold from the wellbore of the specific well (the "Well") identified on Schedule 1 attached hereto, as such schedule may be amended from time to time, and (b) from any prepayments or payments in lieu of production from the Wells. The Production Payment shall be paid to Grantee until Payout, as defined in the Jonah Field Development Agreement.

1. *Definitions.*

1.1. "Jonah Field Development Agreement" means the First Amended and Restated Jonah Field Development Agreement, executed March 1, 1998, but effective May 30, 1997, between Ultra and Grantee, including the Contract Documents attached thereto.

1.2. "Net Revenue" means Ultra's ownership interest in and to production from a Well, after netting a sufficient portion of such production to result in proceeds sufficient for the payment of all applicable royalties, overriding royalties, severance taxes, ad valorem taxes and other taxes on or measured by production (but not income taxes), lease operating expenses (but not capital expenditures), and costs of third party gathering, dehydration, compression, processing, transportation and marketing attributable to such ownership interest.

1.3. All other capitalized terms used herein have the same meaning ascribed to such terms in the Jonah Field Development Agreement.

2. *General Provisions.*

2.1 *Subject to Jonah Field Development Agreement.* The Production Payment shall be subject in all respects to the terms and conditions of the Jonah Field Development Agreement, which is incorporated and made a part hereof by this reference; provided, however, that the termination or unenforceability of all or any portion of the Jonah Field Development Agreement for any reason (including, without limitation, the avoidance or failure to assume such contracts on behalf of Ultra's estate in any bankruptcy or insolvency proceedings), shall not terminate, limit, or affect in any way any provision of this assignment, including the incorporation of any terms, covenants, representations, or warranties therein.

2.2 *Payment to Grantee.* The purchasers of oil, gas and other minerals produced from the Wells shall make payment of the amounts due Grantee under this Production Payment directly to Ultra, which shall, by the end of the month after receipt of proceeds and after paying royalties, taxes, lease operating expenses, and other permissible costs, pay Grantee. Title to the production from the Wells shall belong to Grantee and such production shall either be marketed by Ultra for Grantee or, as provided below, be taken in kind by Grantee. Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds of the sale of production are paid and distributed in accordance with this paragraph. Each such payment to Grantee shall include a statement showing the gross production, purchase price, deductions for royalty, overriding royalty, taxes, lease operating expenses and costs of third party gathering, dehydration, compression, processing, transportation and marketing, as well as the net amount due Grantee.

2.3 *Release of Production Payment.* At Payout, Grantee shall execute and deliver to Ultra a release in recordable form of the Production Payment.

3. *Covenants of Ultra.* Until Payout, Ultra covenants and warrants for the benefit of Grantee as follows:

3.1 *Performance.* Ultra agrees to perform or cause to be performed all of its duties and obligations under the Contract Documents, including, without limitation, operation of the Wells in accordance with the terms of this Assignment and the Applicable Joint Operating Agreements; in good faith; in a workmanlike and prudent manner; in conformity with accepted and prudent oil and gas industry standards of operations; in full compliance in all material respects with all applicable federal, state and local laws, rules, and regulations; and in compliance with all expressed or implied obligations of the lessee under the concerned oil and gas leases, including, without limitation, the payment of all royalties, rentals, and other amounts due thereunder in a timely manner. Ultra shall pay or cause to be paid punctually before the same become delinquent, all severance, ad valorem, windfall profit, and other taxes applicable to Wells and concerned oil and gas

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IN BOOK 108 OR 6 PAGE 558
FEES $18.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Saxton

leases; all billings for operating expenses, equipment, supplies, and services, including gathering, transportation, dehydration, processing and compression charges; and all burdens on production from the Wells. Ultra shall bear 100% of any penalties or interest incurred as a result of any failure to make timely payment of any such amounts.

3.2 *Production Maintenance.* Ultra shall use prudent, good faith, and reasonable efforts (and to devote sufficient numbers of its employees and adequate amounts of equipment and machinery) to maintain production from each Well at the efficient level allowed by the gatherer and purchaser of the production and any applicable government proration order to the extent that a market exists for such production.

3.3 *Other Actions.* After each Well is completed and placed on stream or shut in, as the case may be, and regardless of whether under the terms of this Agreement Ultra then serves as operator or is subsequently replaced as operator, Ultra shall to the extent permitted by the Applicable Joint Operating Agreement, take or cause to be taken all actions which, according to the practices of prudent operators (determined without regard to the existence of this Production Payment) may be necessary, appropriate, or desirable to protect against drainage and maximize the productive capacity of the Wells. If a Well, after initially establishing commercial production hereunder, must be plugged and abandoned prior to Payout, the concerned working interest owners in such Well shall have all responsibility, and shall pay all expenses associated with the plugging and abandoning of such Well (including the supplying of all necessary related facilities therefor). Such costs for plugging and abandonment shall not be considered lease operating expenses.

3.4 *Nature of Proceedings.* Ultra shall provide written notice to Grantee of every material adverse claim or demand made or threatened to be made by any person (including any government or governmental agency) affecting the Wells or the proceeds of production therefrom in any manner whatsoever, and of any proceeding instituted with respect thereto.

3.5 *Ultra Insurance.* Ultra shall maintain insurance as follows:

(a) All risk insurance covering replacement cost for loss or damage to the Wells, relating structures, equipment, machinery, lines, pipelines, facilities and similar items relating to the Wells and production therefrom;

(b) General and automobile liability insurance covering all operations of Ultra with minimum limits of $1,000,000, including contractual liability coverage; and

(c) Workers' compensation and employer's liability insurance covering all employees of Ultra.

3.6 *Insurance Policies.* Ultra's insurance shall include endorsements providing that (i.) the insurer will give 30 days advance written notice by registered mail to Grantee in the event of cancellation or material change in coverage, (ii.) the insurance be primary to, and not receive contribution from, any insurance maintained by or on behalf of Grantee and (iii.) the insurance shall not be reduced, voided, waived or in any other manner limited as respects Grantee in the event Grantee violates any warranties, terms or conditions of Grantee's insurance. Grantee shall not be responsible or liable for any deductibles, self-insured retention and/or premiums of Ultra's insurance.

3.7 *Proceeds of Casualty Loss.* Insurance proceeds as a result of casualty damage to the Wells, or to structures, equipment, machinery, facilities, and similar items related to the Wells paid for by Ultra, to the extent of the cost of replacing and repairing such property shall be applied to repair or replace such property. Such insurance proceeds to the extent they exceed the costs incurred to repair or replace the damaged or destroyed property (or if the damaged or destroyed property is not repaired or replaced), shall be paid to Grantee and shall be credited to the Payout Account.

3.8 *Waiver of Subrogation Rights.* The policy required by paragraph 3.5(a) above shall include Grantee as a loss payee to the extent of Grantee's interest, and shall also include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. The policies required under paragraph 3.5(c) above shall name Grantee as an additional insured to the extent of liabilities or obligations assumed by Grantee. The policies required by 3.5(c) above shall include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. It is also agreed that Grantee shall provide for waivers of subrogation in policies Grantee may carry in favor of Customer to the extent of liabilities or obligations assumed by Grantee.

3.9 *Marketing.* Ultra will use prudent, good faith, reasonable and diligent efforts, at no expense (other than third party charges) to Grantee, to market any and all hydrocarbons or other valuable minerals produced from each Well and in performing the obligations and exercising the rights of the producers of gas under all gas purchase contracts to which the Wells are subject, including, without limitation, to provide for the sale of such hydrocarbons at the wellhead at the highest price obtainable in the field for similar production quantity and quality, to maintain the percentage of the maximum efficient delivery capacity of the Wells taken by the purchasers at the highest possible level, to assure the connection of each Well as promptly as possible to the purchaser's pipeline systems, to provide sufficient compression for maximum deliverability, to provide adequate salt water disposal wells in order to maintain maximum production, to determine proper compliance by the purchasers with applicable take or pay provisions,

and to initiate as promptly as possible any price redetermination procedures that would result in higher prices for gas sold. If necessary upon completion, Ultra shall construct or cause to be constructed all gathering lines, connecting lines, pipelines, salt water disposal wells, and shall provide all compression facilities and equipment necessary to permit any oil or gas produced from the Wells to be produced and delivered into tank batteries or the gas purchaser's system, as applicable. Grantee shall not be obligated to fund any part of the cost for constructing or providing such pipelines, facilities, and equipment and no part of such costs (other than monthly operating expenses) shall be chargeable against the Production Payment. Any payment received by Ultra (including without limitation a "take-or-pay" payment) that arises from a contractual provision which requires a purchaser to pay for a specified quantity of natural gas even though it is not taken by such purchasers and which payment is attributable to production not taken by such purchaser from a Well, shall be treated for purposes of such assignment as proceeds of production and Grantee shall receive its proportionate part of any such payment. Unless required to do so by a court or governmental authority for *force majeure*, Ultra will not shut in any producing well as to which Grantee has a Production Payment assignment for more than thirty (30) days without giving prior written notice to Grantee of such contemplated action.

3.10 *Take in Kind.* In the event that (a) the volume of gas taken by the purchaser of production from the Wells drilled hereunder shall fall below 40% of the Wells' maximum prudent deliverability on average for 90 consecutive days; or (b) if the weighted average price for natural gas (net of reimbursement of production-related taxes and the transportation costs) should be less than $1.00 per MMBtu for any consecutive period of 90 days; then, upon ten days' prior written notice, and subject to all applicable gas contracts and dedications, Grantee shall have the right and power to take in kind or separately dispose of its share of all oil and gas produced from any such Well, and Ultra shall have no right or power to sell or make any commitment with respect to Grantee's share of any such production. In that event, any extra expenditure incurred in the taking in kind or separate disposition by Grantee of its share of the production shall be borne by Grantee. Notwithstanding the preceding provisions of this paragraph to the contrary, Grantee shall not commence to take in kind its share of any gas produced from any Wells until Ultra and Grantee have entered into a mutually acceptable gas balancing agreement that governs the accounting between the respective accounts of Ultra and Grantee if Grantee's separate disposition of its share of such gas would cause split-stream deliveries to separate pipelines and/or deliveries that on a day-to-day basis for any reason are not exactly equal to their respective proportionate shares of total gas sales. In such event, Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds from the sale of such production are paid to Grantee. If Grantee elects to take in kind its share of gas produced from any Wells, and if any agreement entered into by Grantee for the sale of such gas expires prior to Payout with respect to the Wells, Ultra shall have the first right again to take and market such gas, provided Ultra can demonstrate to Grantee's reasonable satisfaction, within 30 days, that Ultra has markets for all such volumes of gas at prices at lease equal to those obtainable by Grantee. If Grantee elects to take in kind its share of gas from any Wells, and if Payout occurs with respect to the Wells prior to the expiration of any agreement entered into by Grantee for the sale of such gas, Grantee shall execute all such documents and instruments as may be necessary to assign to Ultra all of the rights, titles, and interest of Grantee under the terms of the relevant agreement. If taken in kind, Grantee agrees that it shall not market such gas in a manner as will subject Ultra, its affiliates, or its gas to federal regulation under the NGPA or FERC or any successor or similar regulatory authority.

3.11 *Defense of Interests.* Ultra shall, until such time as the Payout Account is paid in full, cause all necessary and proper steps to be taken, at Ultra's expense, diligently to protect and defend the interest of Grantee under the Production Payment and proceeds of production attributable thereto against any adverse claim or demand.

3.12 *Obligation to Transport and Transmit Gas.* To the extent that Ultra, its subsidiaries or affiliated companies, owns any interest in or operates a pipeline, connecting line, or gathering line over which gas and condensable liquids from the Wells are or may be gathered, transported or transmitted to a connection where the gas and condensable liquids may be sold to a third party purchaser ("Ultra's Pipeline"), Ultra shall gather and transport, through Ultra's Pipeline, the gas and condensable liquids produced from the Wells on a ratable and nondiscriminatory basis to the extent of its available system capacity. Such obligation shall not be impaired or reduced by any election of Grantee to take gas in kind, provided that (a) Grantee shall pay to Ultra's Pipeline the lower of the applicable tariff or the lowest rate being charged by such pipeline to other producers in the same general area to gather and transport gas and condensable liquids under similar conditions, and (b) such transportation shall not subject Ultra's Pipeline to federal regulation under the NGPA or the FERC or any successor or similar regulatory agency. The maximum tariff payable to Ultra's Pipeline to transport gas and condensable liquids produced from the Wells shall not exceed the lesser of the rate paid by other operators on Ultra's Pipeline or $0.05 per MMBtu during the term of this Agreement and until Payout. Grantee recognizes that to market such take-in-kind gas may cause to be incurred third party transportation charges over which Ultra has no control and which are expressly

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excluded from the amounts paid to Ultra for transportation on Ultra's Pipeline. For purposes of this paragraph, R.I.S. Resources, Inc., its subsidiaries and affiliates, shall not be considered subsidiaries or affiliates of Ultra.

3.13 *Metering and Allocations.* Gas produced and sold from the Wells completed hereunder will be measured at the wellhead prior to commingling with any other gas stream. Copies of measurement tests and monthly volume statements provided by gas purchaser or gas gatherer for the subject wells will be available to Grantee from Ultra. Upon request by Grantee, Ultra shall provide Grantee with advance written notice of any meter test or calibration so that Grantee may have a witness present. Ultra shall contract with its gas gatherer to maintain sufficient facilities to be able to conduct sufficient tests for each Well, so as to be able to allocate the quantities of gas produced back to the Well producing such Gas within a degree of accuracy normally acceptable within the industry for Gas and wells of this nature. Ultra shall provide the results of all such tests to Grantee within ten (10) days after completion of the tests. Grantee shall have the right to inspect the production facilities, surface equipment, and meters, to be able to verify the tests and allocations of production. Oil and condensate produced from the Wells will be stored and measured separately, before commingling with other well streams. Grantee shall have the right, at its own expense, to determine production and measurement accuracy.

3.14 *Subsequent Operations or AFE Proposals.* Ultra shall not propose any subsequent operation to the Well pursuant to an Applicable Joint Operating Agreement without Grantee's prior written approval. If any Authority for Expenditure is proposed by an interest owner other than Ultra that includes capital expenditures for any subsequent operation on a Well, Ultra shall elect to participate in such proposal and shall fund its pro rata portion of such operation or expenditure; *provided, however*, that upon the mutual agreement of Ultra and Grantee, Ultra shall not be obligated to participate in such proposal. Ultra agrees that capital expenditures required to fund a subsequent operation shall not be deducted in determining Ultra's Net Revenue, but any amounts paid by Grantee on account of such operations shall be included in calculating Payout.

3.15 *Non*-Consent Alternative Payments. If Grantee ceases receiving revenue attributable to a Well because Ultra's Interest goes into a Non-Consent Status and Grantee has not provided prior written consent to such Non-Consent Status, Ultra shall pay to Grantee monthly a Non-Consent Alternative Payment. The Non-Consent Alternative Payment shall be treated as the amount that Grantee would otherwise have been entitled to receive under the Production Payment assuming Ultra's Interest had not been in Non-Consent Status. Ultra shall continue paying to Grantee monthly the Non-Consent Alternative Payment so long as Grantee receives less than the revenue to which Grantee would have been entitled but for Ultra's Non-Consent Status. The Non-Consent Alternative Payments received by Grantee shall be credited to the Payout Account and treated as revenue attributable to the Production Payment. The Non-consent Alternative Payments shall cease on the earliest of (a) the date Grantee begins receiving revenue from the Well as to which Ultra's Interest was previously in a Non-Consent Status; or (b) the date Payout occurs. "Non-Consent Alternative Payment" means the amount payable to Grantee by Ultra attributable to a Well covered by a Production Payment as to which the Ultra Interest is in Non-Consent Status, calculated by taking the average of the monthly payments due to Grantee attributable to the Well for the twelve-month period immediately preceding the cessation of payments to Grantee. If the Production Payment has not been effective for twelve months, then the calculation shall be based upon the amount that would have been payable to Grantee as if the Production Payment had been effective for such preceding twelve-month period. "Non-Consent Status" as to an interest in a Well means that, because of subsequent operation on a Well and due to the terms of the Applicable Joint Operating Agreement, an interest owner ceases to receive, or have the right to receive, revenue attributable to such interest due to the interest owner's either (a) failing to make an election with regard to a proposed operation or (b) affirmatively declining to participate in a proposed operation.

3.16 *Third-Party Non-Consent Interests.* In the event that the working interest of any Non-Participating Interest Owner in a Well shall be acquired by Ultra pursuant to the Non-Participating Interest Owner's interest, or any part thereof, being placed in a Non-Consent Status and being funded by Ultra, then that portion of the Non-Participating Interest Owner's interest that is in Non-Consent Status and that is acquired by Ultra shall be included in Ultra's Net Revenue.

4. *Representations and Warranties of Ultra*

4.1 *Special Warranty of Title.* Ultra shall warrant and forever defend title (other than as to ad valorem taxes not yet due and liens subordinated to this Production Payment) to all the interests hereby assigned and conveyed unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming the same or to claim the same or any part thereof by, through or under Ultra, but not otherwise. Ultra warrants that (i.) it, together with any Ratifying Parties, owns not less than a 63.75% working interest in the Wells in the Stud Horse Butte Prospect and not less than a 37.5% working interest in all other Wells shown on Schedule 1 and (ii.) all mineral interests in the spacing unit applicable to each Well are leased and subject to an Applicable Joint Operating Agreement.

4.2 *Other Representations and Warranties.* All of the other representations and warranties of Ultra contained in the Jonah Field Development Agreement are true and correct as of the date hereof.

5. *Default.* Any default under the Jonah Field Development Agreement shall be deemed to be a default in connection with the Production Payment, and Grantee shall thereupon be entitled to enforce the applicable remedies set forth in the Jonah Field Development Agreement.

6. *Miscellaneous.*

6.1 Covenants *Run with the Land.* All the covenants and agreements of Ultra herein contained shall be deemed to be covenants running with the land and shall be binding upon all successors in interest to Ultra and shall inure to the benefit of all successors in interest to Grantee.

6.2 *Successors and Assigns.* The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. All references herein to any of the parties hereto shall include their respective successors and assigns.

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6.4 *Prior Title Warranties.* This assignment is made with full substitution and subrogation of Grantee in and to all covenants of warranty by others heretofore given or made with respect to the Wells, underlying oil and gas leases, or any part thereof or interest therein.

6.5 *No Partnership.* None of the representations, warranties, covenants, or other provisions contained or incorporated herein shall, or shall be deemed to, give any party the right or power to exercise control over the affairs and/or management of any other party, nor to classify Grantee other than as an independent contractor having no agency, partnership, joint venture, or unaffiliated relationship with Ultra.

6.6 *Severability.* If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this assignment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

6.7 *Governing Law.* This assignment shall be governed by and interpreted in accordance with the laws of the State of Wyoming and the United States of America.

7. *Additional Instruments.* Ultra agrees to execute such other and additional instruments as may be necessary in order that Grantee may full enjoy all of the respective rights herein granted or intended to be granted pursuant to the Jonah Field Development Agreement.

8. *Effective Date.* This Assignment of Production Payment shall not enter into effect until all necessary approvals have been secured from the Vancouver Stock Exchange; provided, however, that when this Assignment does enter into effect, it shall be deemed to have been effective from and after date of first production from the Wells.

EXECUTED THIS 30th DAY OF JUNE, 1998.

ULTRA:
ULTRA PETROLEUM (USA), INC.

By:_____
R. G. "Jerry" Albertus, President

ULTRA RESOURCES, INC.

By:_____
R. G. "Jerry" Albertus, President

GRANTEE:
HALLIBURTON ENERGY SERVICES, INC.

By:_____
Bob Verrett, Vice President Integrated Solutions
Halliburton Energy Services Division

REVIEWED
OPERATIONS
LEGAL
SHDSVS

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Petroleum (USA), Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. Jerry Albertus, as President of Ultra Resources, Inc., a Wyoming corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF TEXAS)
) Ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 21st day of July, 1998, by Bob Verrett, Vice President Integrated Solutions, Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

Donna Buttles
NOTARY PUBLIC

My commission expires:
DONNA BUTTLES
MY COMMISSION EXPIRES
March 14, 2002

564

SCHEDULE 1

Well Name	Location
Stud Horse Butte 7-23	Township 29 North, Range 108 West Section 23: SW/4NE/4 Sublette County, Wyoming

After recording return to:

Judd Oualline
Morris & Campbell
600 Jefferson, Suite 800
Houston, Texas 77002

[redacted] [redacted] [redacted]

FIRST AMENDED AND RESTATED ASSIGNMENT OF PRODUCTION PAYMENT

THE STATE OF WYOMING)
) Ss.
COUNTY OF SUBLETTE)

Ultra Petroleum (USA), Inc., a Colorado corporation, and Ultra Resources, Inc., a Wyoming corporation (collectively, "Ultra"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver unto Halliburton Energy Services, Inc., a Delaware corporation ("Grantee"), a production payment (the "Production Payment") equal 27.42525% (a) from the oil, gas, and other minerals, including casinghead gas and all other liquid or gaseous substances produced therewith or derived or manufactured therefrom, whether or not such substances are hydrocarbons, which are produced, saved and sold from the wellbore of the specific well (the "Well") identified on Schedule 1 attached hereto, as such schedule may be amended from time to time, and (b) from any prepayments or payments in lieu of production from the Wells. The Production Payment shall be paid to Grantee until Payout, as defined in the Jonah Field Development Agreement.

1. *Definitions.*

1.1. "Jonah Field Development Agreement" means the First Amended and Restated Jonah Field Development Agreement, executed March 1, 1998, but effective May 30, 1997, between Ultra and Grantee, including the Contract Documents attached thereto.

1.2. "Net Revenue" means Ultra's ownership interest in and to production from a Well, after netting a sufficient portion of such production to result in proceeds sufficient for the payment of all applicable royalties, overriding royalties, severance taxes, ad valorem taxes and other taxes on or measured by production (but not income taxes), lease operating expenses (but not capital expenditures), and costs of third party gathering, dehydration, compression, processing, transportation and marketing attributable to such ownership interest.

1.3. All other capitalized terms used herein have the same meaning ascribed to such terms in the Jonah Field Development Agreement.

2. *General Provisions.*

2.1 *Subject to Jonah Field Development Agreement.* The Production Payment shall be subject in all respects to the terms and conditions of the Jonah Field Development Agreement, which is incorporated and made a part hereof by this reference; provided, however, that the termination or unenforceability of all or any portion of the Jonah Field Development Agreement for any reason (including, without limitation, the avoidance or failure to assume such contracts on behalf of Ultra's estate in any bankruptcy or insolvency proceedings), shall not terminate, limit, or affect in any way any provision of this assignment, including the incorporation of any terms, covenants, representations, or warranties therein.

2.2 *Payment to Grantee.* The purchasers of oil, gas and other minerals produced from the Wells shall make payment of the amounts due Grantee under this Production Payment directly to Ultra, which shall, by the end of the month after receipt of proceeds and after paying royalties, taxes, lease operating expenses, and other permissible costs, pay Grantee. Title to the production from the Wells shall belong to Grantee and such production shall either be marketed by Ultra for Grantee or, as provided below, be taken in kind by Grantee. Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds of the sale of production are paid and distributed in accordance with this paragraph. Each such payment to Grantee shall include a statement showing the gross production, purchase price, deductions for royalty, overriding royalty, taxes, lease operating expenses and costs of third party gathering, dehydration, compression, processing, transportation and marketing, as well as the net amount due Grantee.

2.3 *Release of Production Payment.* At Payout, Grantee shall execute and deliver to Ultra a release in recordable form of the Production Payment.

3. *Covenants of Ultra.* Until Payout, Ultra covenants and warrants for the benefit of Grantee as follows:

3.1 *Performance.* Ultra agrees to perform or cause to be performed all of its duties and obligations under the Contract Documents, including, without limitation, operation of the Wells in accordance with the terms of this Assignment and the Applicable Joint Operating Agreements; in good faith; in a workmanlike and prudent manner; in conformity with accepted and prudent oil and gas industry standards of operations; in full compliance in all material respects with all applicable federal, state and local laws, rules, and regulations; and in compliance with all expressed or implied obligations of the lessee under the concerned oil and gas leases, including, without limitation, the payment of all royalties, rentals, and other amounts due thereunder in a timely manner. Ultra shall pay or cause to be paid punctually before the same become delinquent, all severance, ad valorem, windfall profit, and other taxes applicable to Wells and concerned oil and gas

269263

RECORDED Sept. 15 1998 4:00 P M
IN BOOK 108 OR 6 PAGE 565
FEES $ 18.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Easton

565

leases; all billings for operating expenses, equipment, supplies, and services, including gathering, transportation, dehydration, processing and compression charges; and all burdens on production from the Wells. Ultra shall bear 100% of any penalties or interest incurred as a result of any failure to make timely payment of any such amounts.

3.2 *Production Maintenance*. Ultra shall use prudent, good faith, and reasonable efforts (and to devote sufficient numbers of its employees and adequate amounts of equipment and machinery) to maintain production from each Well at the efficient level allowed by the gatherer and purchaser of the production and any applicable government proration order to the extent that a market exists for such production.

3.3 *Other Actions*. After each Well is completed and placed on stream or shut in, as the case may be, and regardless of whether under the terms of this Agreement Ultra then serves as operator or is subsequently replaced as operator, Ultra shall to the extent permitted by the Applicable Joint Operating Agreement, take or cause to be taken all actions which, according to the practices of prudent operators (determined without regard to the existence of this Production Payment) may be necessary, appropriate, or desirable to protect against drainage and maximize the productive capacity of the Wells. If a Well, after initially establishing commercial production hereunder, must be plugged and abandoned prior to Payout, the concerned working interest owners in such Well shall have all responsibility, and shall pay all expenses associated with the plugging and abandoning of such Well (including the supplying of all necessary related facilities therefor). Such costs for plugging and abandonment shall not be considered lease operating expenses.

3.4 *Nature of Proceedings*. Ultra shall provide written notice to Grantee of every material adverse claim or demand made or threatened to be made by any person (including any government or governmental agency) affecting the Wells or the proceeds of production therefrom in any manner whatsoever, and of any proceeding instituted with respect thereto.

3.5 *Ultra Insurance*. Ultra shall maintain insurance as follows:

(a) All risk insurance covering replacement cost for loss or damage to the Wells, relating structures, equipment, machinery, lines, pipelines, facilities and similar items relating to the Wells and production therefrom;

(b) General and automobile liability insurance covering all operations of Ultra with minimum limits of $1,000,000, including contractual liability coverage; and

(c) Workers' compensation and employer's liability insurance covering all employees of Ultra.

3.6 *Insurance Policies*. Ultra's insurance shall include endorsements providing that (i.) the insurer will give 30 days advance written notice by registered mail to Grantee in the event of cancellation or material change in coverage, (ii.) the insurance be primary to, and not receive contribution from, any insurance maintained by or on behalf of Grantee and (iii.) the insurance shall not be reduced, voided, waived or in any other manner limited as respects Grantee in the event Grantee violates any warranties, terms or conditions of Grantee's insurance. Grantee shall not be responsible or liable for any deductibles, self-insured retention and/or premiums of Ultra's insurance.

3.7 *Proceeds of Casualty Loss*. Insurance proceeds as a result of casualty damage to the Wells, or to structures, equipment, machinery, facilities, and similar items related to the Wells paid for by Ultra, to the extent of the cost of replacing and repairing such property shall be applied to repair or replace such property. Such insurance proceeds to the extent they exceed the costs incurred to repair or replace the damaged or destroyed property (or if the damaged or destroyed property is not repaired or replaced), shall be paid to Grantee and shall be credited to the Payout Account.

3.8 *Waiver of Subrogation Rights*. The policy required by paragraph 3.5(a) above shall include Grantee as a loss payee to the extent of Grantee's interest, and shall also include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. The policies required under paragraph 3.5(c) above shall name Grantee as an additional insured to the extent of liabilities or obligations assumed by Grantee. The policies required by 3.5(c) above shall include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. It is also agreed that Grantee shall provide for waivers of subrogation in policies Grantee may carry in favor of Customer to the extent of liabilities or obligations assumed by Grantee.

3.9 *Marketing*. Ultra will use prudent, good faith, reasonable and diligent efforts, at no expense (other than third party charges) to Grantee, to market any and all hydrocarbons or other valuable minerals produced from each Well and in performing the obligations and exercising the rights of the producers of gas under all gas purchase contracts to which the Wells are subject, including, without limitation, to provide for the sale of such hydrocarbons at the wellhead at the highest price obtainable in the field for similar production quantity and quality, to maintain the percentage of the maximum efficient delivery capacity of the Wells taken by the purchasers at the highest possible level, to assure the connection of each Well as promptly as possible to the purchaser's pipeline systems, to provide sufficient compression for maximum deliverability, to provide adequate salt water disposal wells in order to maintain maximum production, to determine proper compliance by the purchasers with applicable take or pay provisions,

[redacted] [redacted] [redacted]

and to initiate as promptly as possible any price redetermination procedures that would result in higher prices for gas sold. If necessary upon completion, Ultra shall construct or cause to be constructed all gathering lines, connecting lines, pipelines, salt water disposal wells, and shall provide all compression facilities and equipment necessary to permit any oil or gas produced from the Wells to be produced and delivered into tank batteries or the gas purchaser's system, as applicable. Grantee shall not be obligated to fund any part of the cost for constructing or providing such pipelines, facilities, and equipment and no part of such costs (other than monthly operating expenses) shall be chargeable against the Production Payment. Any payment received by Ultra (including without limitation a "take-or-pay" payment) that arises from a contractual provision which requires a purchaser to pay for a specified quantity of natural gas even though it is not taken by such purchasers and which payment is attributable to production not taken by such purchaser from a Well, shall be treated for purposes of such assignment as proceeds of production and Grantee shall receive its proportionate part of any such payment. Unless required to do so by a court or governmental authority for *force majeure*, Ultra will not shut in any producing well as to which Grantee has a Production Payment assignment for more than thirty (30) days without giving prior written notice to Grantee of such contemplated action.

3.10 *Take in Kind.* In the event that (a) the volume of gas taken by the purchaser of production from the Wells drilled hereunder shall fall below 40% of the Wells' maximum prudent deliverability on average for 90 consecutive days; or (b) if the weighted average price for natural gas (net of reimbursement of production-related taxes and the transportation costs) should be less than $1.00 per MMBtu for any consecutive period of 90 days; then, upon ten days' prior written notice, and subject to all applicable gas contracts and dedications, Grantee shall have the right and power to take in kind or separately dispose of its share of all oil and gas produced from any such Well, and Ultra shall have no right or power to sell or make any commitment with respect to Grantee's share of any such production. In that event, any extra expenditure incurred in the taking in kind or separate disposition by Grantee of its share of the production shall be borne by Grantee. Notwithstanding the preceding provisions of this paragraph to the contrary, Grantee shall not commence to take in kind its share of any gas produced from any Wells until Ultra and Grantee have entered into a mutually acceptable gas balancing agreement that governs the accounting between the respective accounts of Ultra and Grantee if Grantee's separate disposition of its share of such gas would cause split-stream deliveries to separate pipelines and/or deliveries that on a day-to-day basis for any reason are not exactly equal to their respective proportionate shares of total gas sales. In such event, Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds from the sale of such production are paid to Grantee. If Grantee elects to take in kind its share of gas produced from any Wells, and if any agreement entered into by Grantee for the sale of such gas expires prior to Payout with respect to the Wells, Ultra shall have the first right again to take and market such gas, provided Ultra can demonstrate to Grantee's reasonable satisfaction, within 30 days, that Ultra has markets for all such volumes of gas at prices at lease equal to those obtainable by Grantee. If Grantee elects to take in kind its share of gas from any Wells, and if Payout occurs with respect to the Wells prior to the expiration of any agreement entered into by Grantee for the sale of such gas, Grantee shall execute all such documents and instruments as may be necessary to assign to Ultra all of the rights, titles, and interest of Grantee under the terms of the relevant agreement. If taken in kind, Grantee agrees that it shall not market such gas in a manner as will subject Ultra, its affiliates, or its gas to federal regulation under the NGPA or FERC or any successor or similar regulatory authority.

3.11 *Defense of Interests.* Ultra shall, until such time as the Payout Account is paid in full, cause all necessary and proper steps to be taken, at Ultra's expense, diligently to protect and defend the interest of Grantee under the Production Payment and proceeds of production attributable thereto against any adverse claim or demand.

3.12 *Obligation to Transport and Transmit Gas.* To the extent that Ultra, its subsidiaries or affiliated companies, owns any interest in or operates a pipeline, connecting line, or gathering line over which gas and condensable liquids from the Wells are or may be gathered, transported or transmitted to a connection where the gas and condensable liquids may be sold to a third party purchaser ("Ultra's Pipeline"), Ultra shall gather and transport, through Ultra's Pipeline, the gas and condensable liquids produced from the Wells on a ratable and nondiscriminatory basis to the extent of its available system capacity. Such obligation shall not be impaired or reduced by any election of Grantee to take gas in kind, provided that (a) Grantee shall pay to Ultra's Pipeline the lower of the applicable tariff or the lowest rate being charged by such pipeline to other producers in the same general area to gather and transport gas and condensable liquids under similar conditions, and (b) such transportation shall not subject Ultra's Pipeline to federal regulation under the NGPA or the FERC or any successor or similar regulatory agency. The maximum tariff payable to Ultra's Pipeline to transport gas and condensable liquids produced from the Wells shall not exceed the lesser of the rate paid by other operators on Ultra's Pipeline or $0.05 per MMBtu during the term of this Agreement and until Payout. Grantee recognizes that to market such take-in-kind gas may cause to be incurred third party transportation charges over which Ultra has no control and which are expressly

excluded from the amounts paid to Ultra for transportation on Ultra's Pipeline. For purposes of this paragraph, R.I.S. Resources, Inc., its subsidiaries and affiliates, shall not be considered subsidiaries or affiliates of Ultra.

3.13 *Metering and Allocations.* Gas produced and sold from the Wells completed hereunder will be measured at the wellhead prior to commingling with any other gas stream. Copies of measurement tests and monthly volume statements provided by gas purchaser or gas gatherer for the subject wells will be available to Grantee from Ultra. Upon request by Grantee, Ultra shall provide Grantee with advance written notice of any meter test or calibration so that Grantee may have a witness present. Ultra shall contract with its gas gatherer to maintain sufficient facilities to be able to conduct sufficient tests for each Well, so as to be able to allocate the quantities of gas produced back to the Well producing such Gas within a degree of accuracy normally acceptable within the industry for Gas and wells of this nature. Ultra shall provide the results of all such tests to Grantee within ten (10) days after completion of the tests. Grantee shall have the right to inspect the production facilities, surface equipment, and meters, to be able to verify the tests and allocations of production. Oil and condensate produced from the Wells will be stored and measured separately, before commingling with other well streams. Grantee shall have the right, at its own expense, to determine production and measurement accuracy.

3.14 *Subsequent Operations or AFE Proposals.* Ultra shall not propose any subsequent operation to the Well pursuant to an Applicable Joint Operating Agreement without Grantee's prior written approval. If any Authority for Expenditure is proposed by an interest owner other than Ultra that includes capital expenditures for any subsequent operation on a Well, Ultra shall elect to participate in such proposal and shall fund its pro rata portion of such operation or expenditure; *provided, however*, that upon the mutual agreement of Ultra and Grantee, Ultra shall not be obligated to participate in such proposal. Ultra agrees that capital expenditures required to fund a subsequent operation shall not be deducted in determining Ultra's Net Revenue, but any amounts paid by Grantee on account of such operations shall be included in calculating Payout.

3.15 *Non*-Consent Alternative Payments. If Grantee ceases receiving revenue attributable to a Well because Ultra's Interest goes into a Non-Consent Status and Grantee has not provided prior written consent to such Non-Consent Status, Ultra shall pay to Grantee monthly a Non-Consent Alternative Payment. The Non-Consent Alternative Payment shall be treated as the amount that Grantee would otherwise have been entitled to receive under the Production Payment assuming Ultra's Interest had not been in Non-Consent Status. Ultra shall continue paying to Grantee monthly the Non-Consent Alternative Payment so long as Grantee receives less than the revenue to which Grantee would have been entitled but for Ultra's Non-Consent Status. The Non-Consent Alternative Payments received by Grantee shall be credited to the Payout Account and treated as revenue attributable to the Production Payment. The Non-consent Alternative Payments shall cease on the earliest of (a) the date Grantee begins receiving revenue from the Well as to which Ultra's Interest was previously in a Non-Consent Status; or (b) the date Payout occurs. "Non-Consent Alternative Payment" means the amount payable to Grantee by Ultra attributable to a Well covered by a Production Payment as to which the Ultra Interest is in Non-Consent Status, calculated by taking the average of the monthly payments due to Grantee attributable to the Well for the twelve-month period immediately preceding the cessation of payments to Grantee. If the Production Payment has not been effective for twelve months, then the calculation shall be based upon the amount that would have been payable to Grantee as if the Production Payment had been effective for such preceding twelve-month period. "Non-Consent Status" as to an interest in a Well means that, because of subsequent operation on a Well and due to the terms of the Applicable Joint Operating Agreement, an interest owner ceases to receive, or have the right to receive, revenue attributable to such interest due to the interest owner's either (a) failing to make an election with regard to a proposed operation or (b) affirmatively declining to participate in a proposed operation.

3.16 *Third-Party Non-Consent Interests.* In the event that the working interest of any Non-Participating Interest Owner in a Well shall be acquired by Ultra pursuant to the Non-Participating Interest Owner's interest, or any part thereof, being placed in a Non-Consent Status and being funded by Ultra, then that portion of the Non-Participating Interest Owner's interest that is in Non-Consent Status and that is acquired by Ultra shall be included in Ultra's Net Revenue.

4. *Representations and Warranties of Ultra.*

4.1 *Special Warranty of Title.* Ultra shall warrant and forever defend title (other than as to ad valorem taxes not yet due and liens subordinated to this Production Payment) to all the interests hereby assigned and conveyed unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming the same or to claim the same or any part thereof by, through or under Ultra, but not otherwise. Ultra warrants that (i.) it, together with any Ratifying Parties, owns not less than a 63.75% working interest in the Wells in the Stud Horse Butte Prospect and not less than a 37.5% working interest in all other Wells shown on Schedule 1 and (ii.) all mineral interests in the spacing unit applicable to each Well are leased and subject to an Applicable Joint Operating Agreement.

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

4.2 *Other Representations and Warranties.* All of the other representations and warranties of Ultra contained in the Jonah Field Development Agreement are true and correct as of the date hereof.

5. *Default.* Any default under the Jonah Field Development Agreement shall be deemed to be a default in connection with the Production Payment, and Grantee shall thereupon be entitled to enforce the applicable remedies set forth in the Jonah Field Development Agreement.

6. *Miscellaneous.*

6.1 Covenants *Run with the Land.* All the covenants and agreements of Ultra herein contained shall be deemed to be covenants running with the land and shall be binding upon all successors in interest to Ultra and shall inure to the benefit of all successors in interest to Grantee.

6.2 *Successors and Assigns.* The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. All references herein to any of the parties hereto shall include their respective successors and assigns.

6.3 *Ratable Takes.* All gas purchases by a purchaser from the Wells dedicated to such purchaser shall be applied ratably, in proportion to the deliverability, to all wells in which Ultra or any affiliate has an interest and from which gas is dedicated in whole or in part to such purchasers.

6.4 *Prior Title Warranties.* This assignment is made with full substitution and subrogation of Grantee in and to all covenants of warranty by others heretofore given or made with respect to the Wells, underlying oil and gas leases, or any part thereof or interest therein.

6.5 *No Partnership.* None of the representations, warranties, covenants, or other provisions contained or incorporated herein shall, or shall be deemed to, give any party the right or power to exercise control over the affairs and/or management of any other party, nor to classify Grantee other than as an independent contractor having no agency, partnership, joint venture, or unaffiliated relationship with Ultra.

6.6 *Severability.* If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this assignment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

6.7 *Governing Law.* This assignment shall be governed by and interpreted in accordance with the laws of the State of Wyoming and the United States of America.

7. *Additional Instruments.* Ultra agrees to execute such other and additional instruments as may be necessary in order that Grantee may full enjoy all of the respective rights herein granted or intended to be granted pursuant to the Jonah Field Development Agreement.

8. *Effective Date.* This Assignment of Production Payment shall not enter into effect until all necessary approvals have been secured from the Vancouver Stock Exchange; provided, however, that when this Assignment does enter into effect, it shall be deemed to have been effective from and after date of first production from the Wells.

EXECUTED THIS 30th DAY OF JUNE, 1998.

ULTRA:
ULTRA PETROLEUM (USA), INC.

By: _____
R. G. "Jerry" Albertus, President

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus, President

GRANTEE:
HALLIBURTON ENERGY SERVICES, INC.

By: _____
Bob Verrett, Vice President Integrated Solutions
Halliburton Energy Services Division

REVIEWED
OPERATIONS
LEGAL
SHDSYS

569

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Petroleum (USA), Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

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Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF TEXAS)
) Ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 21st day of July, 1998, by Bob Verrett, Vice President Integrated Solutions, Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

DONNA BUTTLES
MY COMMISSION EXPIRES
March 14, 2002

My commission expires:
March 14, 2002

Donna Buttles
NOTARY PUBLIC

[redacted] [redacted] [redacted]

SCHEDULE 1

Well Name	Location
Stud Horse Butte 7-24	Township 29 North, Range 108 West Section 24: SW/4NE/4 Sublette County, Wyoming

After recording return to:

Judd Oualline
Morris & Campbell
600 Jefferson, Suite 800
Houston, Texas 77002

FIRST AMENDED AND RESTATED ASSIGNMENT OF PRODUCTION PAYMENT

THE STATE OF WYOMING)
) Ss.
COUNTY OF SUBLETTE)

Ultra Petroleum (USA), Inc., a Colorado corporation, and Ultra Resources, Inc., a Wyoming corporation (collectively, "Ultra"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver unto Halliburton Energy Services, Inc., a Delaware corporation ("Grantee"), a production payment (the "Production Payment") equal 26.8515% (a) from the oil, gas, and other minerals, including casinghead gas and all other liquid or gaseous substances produced therewith or derived or manufactured therefrom, whether or not such substances are hydrocarbons, which are produced, saved and sold from the wellbore of the specific well (the "Well") identified on Schedule 1 attached hereto, as such schedule may be amended from time to time, and (b) from any prepayments or payments in lieu of production from the Wells. The Production Payment shall be paid to Grantee until Payout, as defined in the Jonah Field Development Agreement.

1. *Definitions.*

1.1. "Jonah Field Development Agreement" means the First Amended and Restated Jonah Field Development Agreement, executed March 1, 1998, but effective May 30, 1997, between Ultra and Grantee, including the Contract Documents attached thereto.

1.2. "Net Revenue" means Ultra's ownership interest in and to production from a Well, after netting a sufficient portion of such production to result in proceeds sufficient for the payment of all applicable royalties, overriding royalties, severance taxes, ad valorem taxes and other taxes on or measured by production (but not income taxes), lease operating expenses (but not capital expenditures), and costs of third party gathering, dehydration, compression, processing, transportation and marketing attributable to such ownership interest.

1.3. All other capitalized terms used herein have the same meaning ascribed to such terms in the Jonah Field Development Agreement.

2. *General Provisions.*

2.1 *Subject to Jonah Field Development Agreement.* The Production Payment shall be subject in all respects to the terms and conditions of the Jonah Field Development Agreement, which is incorporated and made a part hereof by this reference; provided, however, that the termination or unenforceability of all or any portion of the Jonah Field Development Agreement for any reason (including, without limitation, the avoidance or failure to assume such contracts on behalf of Ultra's estate in any bankruptcy or insolvency proceedings), shall not terminate, limit, or affect in any way any provision of this assignment, including the incorporation of any terms, covenants, representations, or warranties therein.

2.2 *Payment to Grantee.* The purchasers of oil, gas and other minerals produced from the Wells shall make payment of the amounts due Grantee under this Production Payment directly to Ultra, which shall, by the end of the month after receipt of proceeds and after paying royalties, taxes, lease operating expenses, and other permissible costs, pay Grantee. Title to the production from the Wells shall belong to Grantee and such production shall either be marketed by Ultra for Grantee or, as provided below, be taken in kind by Grantee. Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds of the sale of production are paid and distributed in accordance with this paragraph. Each such payment to Grantee shall include a statement showing the gross production, purchase price, deductions for royalty, overriding royalty, taxes, lease operating expenses and costs of third party gathering, dehydration, compression, processing, transportation and marketing, as well as the net amount due Grantee.

2.3 *Release of Production Payment.* At Payout, Grantee shall execute and deliver to Ultra a release in recordable form of the Production Payment.

3. *Covenants of Ultra.* Until Payout, Ultra covenants and warrants for the benefit of Grantee as follows:

3.1 *Performance.* Ultra agrees to perform or cause to be performed all of its duties and obligations under the Contract Documents, including, without limitation, operation of the Wells in accordance with the terms of this Assignment and the Applicable Joint Operating Agreements; in good faith; in a workmanlike and prudent manner; in conformity with accepted and prudent oil and gas industry standards of operations; in full compliance in all material respects with all applicable federal, state and local laws, rules, and regulations; and in compliance with all expressed or implied obligations of the lessee under the concerned oil and gas leases, including, without limitation, the payment of all royalties, rentals, and other amounts due thereunder in a timely manner. Ultra shall pay or cause to be paid punctually before the same become delinquent, all severance, ad valorem, windfall profit, and other taxes applicable to Wells and concerned oil and gas

269264

RECORDED Sept. 15 1998 M 4:00p
IN BOOK 108 Misc 6 PAGE 572
FEES $18.00 COUNTY CLERK
SUBLETTE COUNTY PINEDALE, WYOMING
By Cathy Soxton

leases; all billings for operating expenses, equipment, supplies, and services, including gathering, transportation, dehydration, processing and compression charges; and all burdens on production from the Wells. Ultra shall bear 100% of any penalties or interest incurred as a result of any failure to make timely payment of any such amounts.

3.2 *Production Maintenance.* Ultra shall use prudent, good faith, and reasonable efforts (and to devote sufficient numbers of its employees and adequate amounts of equipment and machinery) to maintain production from each Well at the efficient level allowed by the gatherer and purchaser of the production and any applicable government proration order to the extent that a market exists for such production.

3.3 *Other Actions.* After each Well is completed and placed on stream or shut in, as the case may be, and regardless of whether under the terms of this Agreement Ultra then serves as operator or is subsequently replaced as operator, Ultra shall to the extent permitted by the Applicable Joint Operating Agreement, take or cause to be taken all actions which, according to the practices of prudent operators (determined without regard to the existence of this Production Payment) may be necessary, appropriate, or desirable to protect against drainage and maximize the productive capacity of the Wells. If a Well, after initially establishing commercial production hereunder, must be plugged and abandoned prior to Payout, the concerned working interest owners in such Well shall have all responsibility, and shall pay all expenses associated with the plugging and abandoning of such Well (including the supplying of all necessary related facilities therefor). Such costs for plugging and abandonment shall not be considered lease operating expenses.

3.4 *Nature of Proceedings.* Ultra shall provide written notice to Grantee of every material adverse claim or demand made or threatened to be made by any person (including any government or governmental agency) affecting the Wells or the proceeds of production therefrom in any manner whatsoever, and of any proceeding instituted with respect thereto.

3.5 *Ultra Insurance.* Ultra shall maintain insurance as follows:

(a) All risk insurance covering replacement cost for loss or damage to the Wells, relating structures, equipment, machinery, lines, pipelines, facilities and similar items relating to the Wells and production therefrom;

(b) General and automobile liability insurance covering all operations of Ultra with minimum limits of $1,000,000, including contractual liability coverage; and

(c) Workers' compensation and employer's liability insurance covering all employees of Ultra.

3.6 *Insurance Policies.* Ultra's insurance shall include endorsements providing that (i.) the insurer will give 30 days advance written notice by registered mail to Grantee in the event of cancellation or material change in coverage, (ii.) the insurance be primary to, and not receive contribution from, any insurance maintained by or on behalf of Grantee and (iii.) the insurance shall not be reduced, voided, waived or in any other manner limited as respects Grantee in the event Grantee violates any warranties, terms or conditions of Grantee's insurance. Grantee shall not be responsible or liable for any deductibles, self-insured retention and/or premiums of Ultra's insurance.

3.7 *Proceeds of Casualty Loss.* Insurance proceeds as a result of casualty damage to the Wells, or to structures, equipment, machinery, facilities, and similar items related to the Wells paid for by Ultra, to the extent of the cost of replacing and repairing such property shall be applied to repair or replace such property. Such insurance proceeds to the extent they exceed the costs incurred to repair or replace the damaged or destroyed property (or if the damaged or destroyed property is not repaired or replaced), shall be paid to Grantee and shall be credited to the Payout Account.

3.8 *Waiver of Subrogation Rights.* The policy required by paragraph 3.5(a) above shall include Grantee as a loss payee to the extent of Grantee's interest, and shall also include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. The policies required under paragraph 3.5(c) above shall name Grantee as an additional insured to the extent of liabilities or obligations assumed by Grantee. The policies required by 3.5(c) above shall include a waiver of subrogation in favor of Grantee to the extent of liabilities or obligations assumed by Grantee. It is also agreed that Grantee shall provide for waivers of subrogation in policies Grantee may carry in favor of Customer to the extent of liabilities or obligations assumed by Grantee.

3.9 *Marketing.* Ultra will use prudent, good faith, reasonable and diligent efforts, at no expense (other than third party charges) to Grantee, to market any and all hydrocarbons or other valuable minerals produced from each Well and in performing the obligations and exercising the rights of the producers of gas under all gas purchase contracts to which the Wells are subject, including, without limitation, to provide for the sale of such hydrocarbons at the wellhead at the highest price obtainable in the field for similar production quantity and quality, to maintain the percentage of the maximum efficient delivery capacity of the Wells taken by the purchasers at the highest possible level, to assure the connection of each Well as promptly as possible to the purchaser's pipeline systems, to provide sufficient compression for maximum deliverability, to provide adequate salt water disposal wells in order to maintain maximum production, to determine proper compliance by the purchasers with applicable take or pay provisions,

and to initiate as promptly as possible any price redetermination procedures that would result in higher prices for gas sold. If necessary upon completion, Ultra shall construct or cause to be constructed all gathering lines, connecting lines, pipelines, salt water disposal wells, and shall provide all compression facilities and equipment necessary to permit any oil or gas produced from the Wells to be produced and delivered into tank batteries or the gas purchaser's system, as applicable. Grantee shall not be obligated to fund any part of the cost for constructing or providing such pipelines, facilities, and equipment and no part of such costs (other than monthly operating expenses) shall be chargeable against the Production Payment. Any payment received by Ultra (including without limitation a "take-or-pay" payment) that arises from a contractual provision which requires a purchaser to pay for a specified quantity of natural gas even though it is not taken by such purchasers and which payment is attributable to production not taken by such purchaser from a Well, shall be treated for purposes of such assignment as proceeds of production and Grantee shall receive its proportionate part of any such payment. Unless required to do so by a court or governmental authority for *force majeure*, Ultra will not shut in any producing well as to which Grantee has a Production Payment assignment for more than thirty (30) days without giving prior written notice to Grantee of such contemplated action.

3.10 *Take in Kind.* In the event that (a) the volume of gas taken by the purchaser of production from the Wells drilled hereunder shall fall below 40% of the Wells' maximum prudent deliverability on average for 90 consecutive days; or (b) if the weighted average price for natural gas (net of reimbursement of production-related taxes and the transportation costs) should be less than $1.00 per MMBtu for any consecutive period of 90 days; then, upon ten days' prior written notice, and subject to all applicable gas contracts and dedications, Grantee shall have the right and power to take in kind or separately dispose of its share of all oil and gas produced from any such Well, and Ultra shall have no right or power to sell or make any commitment with respect to Grantee's share of any such production. In that event, any extra expenditure incurred in the taking in kind or separate disposition by Grantee of its share of the production shall be borne by Grantee. Notwithstanding the preceding provisions of this paragraph to the contrary, Grantee shall not commence to take in kind its share of any gas produced from any Wells until Ultra and Grantee have entered into a mutually acceptable gas balancing agreement that governs the accounting between the respective accounts of Ultra and Grantee if Grantee's separate disposition of its share of such gas would cause split-stream deliveries to separate pipelines and/or deliveries that on a day-to-day basis for any reason are not exactly equal to their respective proportionate shares of total gas sales. In such event, Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds from the sale of such production are paid to Grantee. If Grantee elects to take in kind its share of gas produced from any Wells, and if any agreement entered into by Grantee for the sale of such gas expires prior to Payout with respect to the Wells, Ultra shall have the first right again to take and market such gas, provided Ultra can demonstrate to Grantee's reasonable satisfaction, within 30 days, that Ultra has markets for all such volumes of gas at prices at lease equal to those obtainable by Grantee. If Grantee elects to take in kind its share of gas from any Wells, and if Payout occurs with respect to the Wells prior to the expiration of any agreement entered into by Grantee for the sale of such gas, Grantee shall execute all such documents and instruments as may be necessary to assign to Ultra all of the rights, titles, and interest of Grantee under the terms of the relevant agreement. If taken in kind, Grantee agrees that it shall not market such gas in a manner as will subject Ultra, its affiliates, or its gas to federal regulation under the NGPA or FERC or any successor or similar regulatory authority.

3.11 *Defense of Interests.* Ultra shall, until such time as the Payout Account is paid in full, cause all necessary and proper steps to be taken, at Ultra's expense, diligently to protect and defend the interest of Grantee under the Production Payment and proceeds of production attributable thereto against any adverse claim or demand.

3.12 *Obligation to Transport and Transmit Gas.* To the extent that Ultra, its subsidiaries or affiliated companies, owns any interest in or operates a pipeline, connecting line, or gathering line over which gas and condensable liquids from the Wells are or may be gathered, transported or transmitted to a connection where the gas and condensable liquids may be sold to a third party purchaser ("Ultra's Pipeline"), Ultra shall gather and transport, through Ultra's Pipeline, the gas and condensable liquids produced from the Wells on a ratable and nondiscriminatory basis to the extent of its available system capacity. Such obligation shall not be impaired or reduced by any election of Grantee to take gas in kind, provided that (a) Grantee shall pay to Ultra's Pipeline the lower of the applicable tariff or the lowest rate being charged by such pipeline to other producers in the same general area to gather and transport gas and condensable liquids under similar conditions, and (b) such transportation shall not subject Ultra's Pipeline to federal regulation under the NGPA or the FERC or any successor or similar regulatory agency. The maximum tariff payable to Ultra's Pipeline to transport gas and condensable liquids produced from the Wells shall not exceed the lesser of the rate paid by other operators on Ultra's Pipeline or $0.05 per MMBtu during the term of this Agreement and until Payout. Grantee recognizes that to market such take-in-kind gas may cause to be incurred third party transportation charges over which Ultra has no control and which are expressly

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excluded from the amounts paid to Ultra for transportation on Ultra's Pipeline. For purposes of this paragraph, R.I.S. Resources, Inc., its subsidiaries and affiliates, shall not be considered subsidiaries or affiliates of Ultra.

3.13 *Metering and Allocations.* Gas produced and sold from the Wells completed hereunder will be measured at the wellhead prior to commingling with any other gas stream. Copies of measurement tests and monthly volume statements provided by gas purchaser or gas gatherer for the subject wells will be available to Grantee from Ultra. Upon request by Grantee, Ultra shall provide Grantee with advance written notice of any meter test or calibration so that Grantee may have a witness present. Ultra shall contract with its gas gatherer to maintain sufficient facilities to be able to conduct sufficient tests for each Well, so as to be able to allocate the quantities of gas produced back to the Well producing such Gas within a degree of accuracy normally acceptable within the industry for Gas and wells of this nature. Ultra shall provide the results of all such tests to Grantee within ten (10) days after completion of the tests. Grantee shall have the right to inspect the production facilities, surface equipment, and meters, to be able to verify the tests and allocations of production. Oil and condensate produced from the Wells will be stored and measured separately, before commingling with other well streams. Grantee shall have the right, at its own expense, to determine production and measurement accuracy.

3.14 *Subsequent Operations or AFE Proposals.* Ultra shall not propose any subsequent operation to the Well pursuant to an Applicable Joint Operating Agreement without Grantee's prior written approval. If any Authority for Expenditure is proposed by an interest owner other than Ultra that includes capital expenditures for any subsequent operation on a Well, Ultra shall elect to participate in such proposal and shall fund its pro rata portion of such operation or expenditure; *provided, however*, that upon the mutual agreement of Ultra and Grantee, Ultra shall not be obligated to participate in such proposal. Ultra agrees that capital expenditures required to fund a subsequent operation shall not be deducted in determining Ultra's Net Revenue, but any amounts paid by Grantee on account of such operations shall be included in calculating Payout.

3.15 *Non*-Consent Alternative Payments. If Grantee ceases receiving revenue attributable to a Well because Ultra's Interest goes into a Non-Consent Status and Grantee has not provided prior written consent to such Non-Consent Status, Ultra shall pay to Grantee monthly a Non-Consent Alternative Payment. The Non-Consent Alternative Payment shall be treated as the amount that Grantee would otherwise have been entitled to receive under the Production Payment assuming Ultra's Interest had not been in Non-Consent Status. Ultra shall continue paying to Grantee monthly the Non-Consent Alternative Payment so long as Grantee receives less than the revenue to which Grantee would have been entitled but for Ultra's Non-Consent Status. The Non-Consent Alternative Payments received by Grantee shall be credited to the Payout Account and treated as revenue attributable to the Production Payment. The Non-consent Alternative Payments shall cease on the earliest of (a) the date Grantee begins receiving revenue from the Well as to which Ultra's Interest was previously in a Non-Consent Status; or (b) the date Payout occurs. "Non-Consent Alternative Payment" means the amount payable to Grantee by Ultra attributable to a Well covered by a Production Payment as to which the Ultra Interest is in Non-Consent Status, calculated by taking the average of the monthly payments due to Grantee attributable to the Well for the twelve-month period immediately preceding the cessation of payments to Grantee. If the Production Payment has not been effective for twelve months, then the calculation shall be based upon the amount that would have been payable to Grantee as if the Production Payment had been effective for such preceding twelve-month period. "Non-Consent Status" as to an interest in a Well means that, because of subsequent operation on a Well and due to the terms of the Applicable Joint Operating Agreement, an interest owner ceases to receive, or have the right to receive, revenue attributable to such interest due to the interest owner's either (a) failing to make an election with regard to a proposed operation or (b) affirmatively declining to participate in a proposed operation.

3.16 *Third-Party Non-Consent Interests.* In the event that the working interest of any Non-Participating Interest Owner in a Well shall be acquired by Ultra pursuant to the Non-Participating Interest Owner's interest, or any part thereof, being placed in a Non-Consent Status and being funded by Ultra, then that portion of the Non-Participating Interest Owner's interest that is in Non-Consent Status and that is acquired by Ultra shall be included in Ultra's Net Revenue.

4. *Representations and Warranties of Ultra.*

4.1 *Special Warranty of Title.* Ultra shall warrant and forever defend title (other than as to ad valorem taxes not yet due and liens subordinated to this Production Payment) to all the interests hereby assigned and conveyed unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming the same or to claim the same or any part thereof by, through or under Ultra, but not otherwise. Ultra warrants that (i.) it, together with any Ratifying Parties, owns not less than a 63.75% working interest in the Wells in the Stud Horse Butte Prospect and not less than a 37.5% working interest in all other Wells shown on Schedule 1 and (ii.) all mineral interests in the spacing unit applicable to each Well are leased and subject to an Applicable Joint Operating Agreement.

4.2 *Other Representations and Warranties.* All of the other representations and warranties of Ultra contained in the Jonah Field Development Agreement are true and correct as of the date hereof.

5. *Default.* Any default under the Jonah Field Development Agreement shall be deemed to be a default in connection with the Production Payment, and Grantee shall thereupon be entitled to enforce the applicable remedies set forth in the Jonah Field Development Agreement.

6. *Miscellaneous.*

6.1 Covenants *Run with the Land.* All the covenants and agreements of Ultra herein contained shall be deemed to be covenants running with the land and shall be binding upon all successors in interest to Ultra and shall inure to the benefit of all successors in interest to Grantee.

6.2 *Successors and Assigns.* The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. All references herein to any of the parties hereto shall include their respective successors and assigns.

6.3 *Ratable Takes.* All gas purchases by a purchaser from the Wells dedicated to such purchaser shall be applied ratably, in proportion to the deliverability, to all wells in which Ultra or any affiliate has an interest and from which gas is dedicated in whole or in part to such purchasers.

6.4 *Prior Title Warranties.* This assignment is made with full substitution and subrogation of Grantee in and to all covenants of warranty by others heretofore given or made with respect to the Wells, underlying oil and gas leases, or any part thereof or interest therein.

6.5 *No Partnership.* None of the representations, warranties, covenants, or other provisions contained or incorporated herein shall, or shall be deemed to, give any party the right or power to exercise control over the affairs and/or management of any other party, nor to classify Grantee other than as an independent contractor having no agency, partnership, joint venture, or unaffiliated relationship with Ultra.

6.6 *Severability.* If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this assignment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

6.7 *Governing Law.* This assignment shall be governed by and interpreted in accordance with the laws of the State of Wyoming and the United States of America.

7. *Additional Instruments.* Ultra agrees to execute such other and additional instruments as may be necessary in order that Grantee may full enjoy all of the respective rights herein granted or intended to be granted pursuant to the Jonah Field Development Agreement.

8. *Effective Date.* This Assignment of Production Payment shall not enter into effect until all necessary approvals have been secured from the Vancouver Stock Exchange; provided, however, that when this Assignment does enter into effect, it shall be deemed to have been effective from and after date of first production from the Wells.

EXECUTED THIS 30th DAY OF JUNE, 1998.

ULTRA:
ULTRA PETROLEUM (USA), INC.

By: _____
R. G. "Jerry" Albertus, President

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus, President

GRANTEE:
HALLIBURTON ENERGY SERVICES, INC.

By: _____
Bob Verrett, Vice President Integrated Solutions
Halliburton Energy Services Division

REVIEWED
OPERATIONS
LEGAL
SHDSVS

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Petroleum (USA), Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Resources, Inc., a Wyoming corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF TEXAS)
) Ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 21st day of July, 1998, by Bob Verrett, Vice President Integrated Solutions, Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

DONNA BUTTLES
MY COMMISSION EXPIRES
March 14, 2002

Donna Buttles
NOTARY PUBLIC

My commission expires:
March 14, 2002

SCHEDULE 1

Well Name	Location
Stud Horse Butte 5-23	Township 29 North, Range 108 West Section 23: SW/4NW/4 Sublette County, Wyoming

After recording return to:

Judd Oualline
Morris & Campbell
600 Jefferson, Suite 800
Houston, Texas 77002

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

FIRST AMENDED AND RESTATED ASSIGNMENT OF PRODUCTION PAYMENT

THE STATE OF WYOMING)
) Ss.
COUNTY OF SUBLETTE)

Ultra Petroleum (USA), Inc., a Colorado corporation, and Ultra Resources, Inc., a Wyoming corporation (collectively, "Ultra"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver unto Halliburton Energy Services, Inc., a Delaware corporation ("Grantee"), a production payment (the "Production Payment") equal to 28.6875% (a) from the oil, gas, and other minerals, including casinghead gas and all other liquid or gaseous substances produced therewith or derived or manufactured therefrom, whether or not such substances are hydrocarbons, which are produced, saved and sold from the wellbore of the specific well (the "Well") identified on Schedule 1 attached hereto, as such schedule may be amended from time to time, and (b) from any prepayments or payments in lieu of production from the Wells. The Production Payment shall be paid to Grantee until Payout, as defined in the Jonah Field Development Agreement.

1. *Definitions.*

1.1. "Jonah Field Development Agreement" means the First Amended and Restated Jonah Field Development Agreement, executed March 1, 1998, but effective May 30, 1997, between Ultra and Grantee, including the Contract Documents attached thereto.

1.2. "Net Revenue" means Ultra's ownership interest in and to production from a Well, after netting a sufficient portion of such production to result in proceeds sufficient for the payment of all applicable royalties, overriding royalties, severance taxes, ad valorem taxes and other taxes on or measured by production (but not income taxes), lease operating expenses (but not capital expenditures), and costs of third party gathering, dehydration, compression, processing, transportation and marketing attributable to such ownership interest.

1.3. All other capitalized terms used herein have the same meaning ascribed to such terms in the Jonah Field Development Agreement.

2. *General Provisions.*

2.1 *Subject to Jonah Field Development Agreement.* The Production Payment shall be subject in all respects to the terms and conditions of the Jonah Field Development Agreement, which is incorporated and made a part hereof by this reference; provided, however, that the termination or unenforceability of all or any portion of the Jonah Field Development Agreement for any reason (including, without limitation, the avoidance or failure to assume such contracts on behalf of Ultra's estate in any bankruptcy or insolvency proceedings), shall not terminate, limit, or affect in any way any provision of this assignment, including the incorporation of any terms, covenants, representations, or warranties therein.

2.2 *Payment to Grantee.* The purchasers of oil, gas and other minerals produced from the Wells shall make payment of the amounts due Grantee under this Production Payment directly to Ultra, which shall, by the end of the month after receipt of proceeds and after paying royalties, taxes, lease operating expenses, and other permissible costs, pay Grantee. Title to the production from the Wells shall belong to Grantee and such production shall either be marketed by Ultra for Grantee or, as provided below, be taken in kind by Grantee. Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds of the sale of production are paid and distributed in accordance with this paragraph. Each such payment to Grantee shall include a statement showing the gross production, purchase price, deductions for royalty, overriding royalty, taxes, lease operating expenses and costs of third party gathering, dehydration, compression, processing, transportation and marketing, as well as the net amount due Grantee.

2.3 *Release of Production Payment.* At Payout, Grantee shall execute and deliver to Ultra a release in recordable form of the Production Payment.

3. *Covenants of Ultra.* Until Payout, Ultra covenants and warrants for the benefit of Grantee as follows:

3.1 *Performance.* Ultra agrees to perform or cause to be performed all of its duties and obligations under the Contract Documents, including, without limitation, operation of the Wells in accordance with the terms of this Assignment and the Applicable Joint Operating Agreements; in good faith; in a workmanlike and prudent manner; in conformity with accepted and prudent oil and gas industry standards of operations; in full compliance in all material respects with all applicable federal, state and local laws, rules, and regulations; and in compliance with all expressed or implied obligations of the lessee under the concerned oil and gas leases, including, without limitation, the payment of all royalties, rentals, and other amounts due thereunder in a timely manner. Ultra shall pay or cause to be paid punctually before the same become delinquent, all severance, ad valorem, windfall profit, and other taxes applicable to Wells and concerned oil and gas

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SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Zachs

leases; all billings for operating expenses, equipment, supplies, and services, including gathering, transportation, dehydration, processing and compression charges; and all burdens on production from the Wells. Ultra shall bear 100% of any penalties or interest incurred as a result of any failure to make timely payment of any such amounts.

3.2 *Production Maintenance.* Ultra shall use prudent, good faith, and reasonable efforts (and to devote sufficient numbers of its employees and adequate amounts of equipment and machinery) to maintain production from each Well at the efficient level allowed by the gatherer and purchaser of the production and any applicable government proration order to the extent that a market exists for such production.

3.3 *Other Actions.* After each Well is completed and placed on stream or shut in, as the case may be, and regardless of whether under the terms of this Agreement Ultra then serves as operator or is subsequently replaced as operator, Ultra shall to the extent permitted by the Applicable Joint Operating Agreement, take or cause to be taken all actions which, according to the practices of prudent operators (determined without regard to the existence of this Production Payment) may be necessary, appropriate, or desirable to protect against drainage and maximize the productive capacity of the Wells. If a Well, after initially establishing commercial production hereunder, must be plugged and abandoned prior to Payout, the concerned working interest owners in such Well shall have all responsibility, and shall pay all expenses associated with the plugging and abandoning of such Well (including the supplying of all necessary related facilities therefor). Such costs for plugging and abandonment shall not be considered lease operating expenses.

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(a) All risk insurance covering replacement cost for loss or damage to the Wells, relating structures, equipment, machinery, lines, pipelines, facilities and similar items relating to the Wells and production therefrom;

(b) General and automobile liability insurance covering all operations of Ultra with minimum limits of $1,000,000, including contractual liability coverage; and

(c) Workers' compensation and employer's liability insurance covering all employees of Ultra.

3.6 *Insurance Policies.* Ultra's insurance shall include endorsements providing that (i.) the insurer will give 30 days advance written notice by registered mail to Grantee in the event of cancellation or material change in coverage, (ii.) the insurance be primary to, and not receive contribution from, any insurance maintained by or on behalf of Grantee and (iii.) the insurance shall not be reduced, voided, waived or in any other manner limited as respects Grantee in the event Grantee violates any warranties, terms or conditions of Grantee's insurance. Grantee shall not be responsible or liable for any deductibles, self-insured retention and/or premiums of Ultra's insurance.

3.7 *Proceeds of Casualty Loss.* Insurance proceeds as a result of casualty damage to the Wells, or to structures, equipment, machinery, facilities, and similar items related to the Wells paid for by Ultra, to the extent of the cost of replacing and repairing such property shall be applied to repair or replace such property. Such insurance proceeds to the extent they exceed the costs incurred to repair or replace the damaged or destroyed property (or if the damaged or destroyed property is not repaired or replaced), shall be paid to Grantee and shall be credited to the Payout Account.

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3.9 *Marketing.* Ultra will use prudent, good faith, reasonable and diligent efforts, at no expense (other than third party charges) to Grantee, to market any and all hydrocarbons or other valuable minerals produced from each Well and in performing the obligations and exercising the rights of the producers of gas under all gas purchase contracts to which the Wells are subject, including, without limitation, to provide for the sale of such hydrocarbons at the wellhead at the highest price obtainable in the field for similar production quantity and quality, to maintain the percentage of the maximum efficient delivery capacity of the Wells taken by the purchasers at the highest possible level, to assure the connection of each Well as promptly as possible to the purchaser's pipeline systems, to provide sufficient compression for maximum deliverability, to provide adequate salt water disposal wells in order to maintain maximum production, to determine proper compliance by the purchasers with applicable take or pay provisions,

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and to initiate as promptly as possible any price redetermination procedures that would result in higher prices for gas sold. If necessary upon completion, Ultra shall construct or cause to be constructed all gathering lines, connecting lines, pipelines, salt water disposal wells, and shall provide all compression facilities and equipment necessary to permit any oil or gas produced from the Wells to be produced and delivered into tank batteries or the gas purchaser's system, as applicable. Grantee shall not be obligated to fund any part of the cost for constructing or providing such pipelines, facilities, and equipment and no part of such costs (other than monthly operating expenses) shall be chargeable against the Production Payment. Any payment received by Ultra (including without limitation a "take-or-pay" payment) that arises from a contractual provision which requires a purchaser to pay for a specified quantity of natural gas even though it is not taken by such purchasers and which payment is attributable to production not taken by such purchaser from a Well, shall be treated for purposes of such assignment as proceeds of production and Grantee shall receive its proportionate part of any such payment. Unless required to do so by a court or governmental authority for *force majeure*, Ultra will not shut in any producing well as to which Grantee has a Production Payment assignment for more than thirty (30) days without giving prior written notice to Grantee of such contemplated action.

3.10 *Take in Kind.* In the event that (a) the volume of gas taken by the purchaser of production from the Wells drilled hereunder shall fall below 40% of the Wells' maximum prudent deliverability on average for 90 consecutive days; or (b) if the weighted average price for natural gas (net of reimbursement of production-related taxes and the transportation costs) should be less than $1.00 per MMBtu for any consecutive period of 90 days; then, upon ten days' prior written notice, and subject to all applicable gas contracts and dedications, Grantee shall have the right and power to take in kind or separately dispose of its share of all oil and gas produced from any such Well, and Ultra shall have no right or power to sell or make any commitment with respect to Grantee's share of any such production. In that event, any extra expenditure incurred in the taking in kind or separate disposition by Grantee of its share of the production shall be borne by Grantee. Notwithstanding the preceding provisions of this paragraph to the contrary, Grantee shall not commence to take in kind its share of any gas produced from any Wells until Ultra and Grantee have entered into a mutually acceptable gas balancing agreement that governs the accounting between the respective accounts of Ultra and Grantee if Grantee's separate disposition of its share of such gas would cause split-stream deliveries to separate pipelines and/or deliveries that on a day-to-day basis for any reason are not exactly equal to their respective proportionate shares of total gas sales. In such event, Ultra and Grantee shall execute all division orders, transfer orders, and other instruments necessary to ensure that the proceeds from the sale of such production are paid to Grantee. If Grantee elects to take in kind its share of gas produced from any Wells, and if any agreement entered into by Grantee for the sale of such gas expires prior to Payout with respect to the Wells, Ultra shall have the first right again to take and market such gas, provided Ultra can demonstrate to Grantee's reasonable satisfaction, within 30 days, that Ultra has markets for all such volumes of gas at prices at lease equal to those obtainable by Grantee. If Grantee elects to take in kind its share of gas from any Wells, and if Payout occurs with respect to the Wells prior to the expiration of any agreement entered into by Grantee for the sale of such gas, Grantee shall execute all such documents and instruments as may be necessary to assign to Ultra all of the rights, titles, and interest of Grantee under the terms of the relevant agreement. If taken in kind, Grantee agrees that it shall not market such gas in a manner as will subject Ultra, its affiliates, or its gas to federal regulation under the NGPA or FERC or any successor or similar regulatory authority.

3.11 *Defense of Interests.* Ultra shall, until such time as the Payout Account is paid in full, cause all necessary and proper steps to be taken, at Ultra's expense, diligently to protect and defend the interest of Grantee under the Production Payment and proceeds of production attributable thereto against any adverse claim or demand.

3.12 *Obligation to Transport and Transmit Gas.* To the extent that Ultra, its subsidiaries or affiliated companies, owns any interest in or operates a pipeline, connecting line, or gathering line over which gas and condensable liquids from the Wells are or may be gathered, transported or transmitted to a connection where the gas and condensable liquids may be sold to a third party purchaser ("Ultra's Pipeline"), Ultra shall gather and transport, through Ultra's Pipeline, the gas and condensable liquids produced from the Wells on a ratable and nondiscriminatory basis to the extent of its available system capacity. Such obligation shall not be impaired or reduced by any election of Grantee to take gas in kind, provided that (a) Grantee shall pay to Ultra's Pipeline the lower of the applicable tariff or the lowest rate being charged by such pipeline to other producers in the same general area to gather and transport gas and condensable liquids under similar conditions, and (b) such transportation shall not subject Ultra's Pipeline to federal regulation under the NGPA or the FERC or any successor or similar regulatory agency. The maximum tariff payable to Ultra's Pipeline to transport gas and condensable liquids produced from the Wells shall not exceed the lesser of the rate paid by other operators on Ultra's Pipeline or $0.05 per MMBtu during the term of this Agreement and until Payout. Grantee recognizes that to market such take-in-kind gas may cause to be incurred third party transportation charges over which Ultra has no control and which are expressly

excluded from the amounts paid to Ultra for transportation on Ultra's Pipeline. For purposes of this paragraph, R.I.S. Resources, Inc., its subsidiaries and affiliates, shall not be considered subsidiaries or affiliates of Ultra.

3.13 *Metering and Allocations.* Gas produced and sold from the Wells completed hereunder will be measured at the wellhead prior to commingling with any other gas stream. Copies of measurement tests and monthly volume statements provided by gas purchaser or gas gatherer for the subject wells will be available to Grantee from Ultra. Upon request by Grantee, Ultra shall provide Grantee with advance written notice of any meter test or calibration so that Grantee may have a witness present. Ultra shall contract with its gas gatherer to maintain sufficient facilities to be able to conduct sufficient tests for each Well, so as to be able to allocate the quantities of gas produced back to the Well producing such Gas within a degree of accuracy normally acceptable within the industry for Gas and wells of this nature. Ultra shall provide the results of all such tests to Grantee within ten (10) days after completion of the tests. Grantee shall have the right to inspect the production facilities, surface equipment, and meters, to be able to verify the tests and allocations of production. Oil and condensate produced from the Wells will be stored and measured separately, before commingling with other well streams. Grantee shall have the right, at its own expense, to determine production and measurement accuracy.

3.14 *Subsequent Operations or AFE Proposals.* Ultra shall not propose any subsequent operation to the Well pursuant to an Applicable Joint Operating Agreement without Grantee's prior written approval. If any Authority for Expenditure is proposed by an interest owner other than Ultra that includes capital expenditures for any subsequent operation on a Well, Ultra shall elect to participate in such proposal and shall fund its pro rata portion of such operation or expenditure; *provided, however*, that upon the mutual agreement of Ultra and Grantee, Ultra shall not be obligated to participate in such proposal. Ultra agrees that capital expenditures required to fund a subsequent operation shall not be deducted in determining Ultra's Net Revenue, but any amounts paid by Grantee on account of such operations shall be included in calculating Payout.

3.15 *Non*-Consent Alternative Payments. If Grantee ceases receiving revenue attributable to a Well because Ultra's Interest goes into a Non-Consent Status and Grantee has not provided prior written consent to such Non-Consent Status, Ultra shall pay to Grantee monthly a Non-Consent Alternative Payment. The Non-Consent Alternative Payment shall be treated as the amount that Grantee would otherwise have been entitled to receive under the Production Payment assuming Ultra's Interest had not been in Non-Consent Status. Ultra shall continue paying to Grantee monthly the Non-Consent Alternative Payment so long as Grantee receives less than the revenue to which Grantee would have been entitled but for Ultra's Non-Consent Status. The Non-Consent Alternative Payments received by Grantee shall be credited to the Payout Account and treated as revenue attributable to the Production Payment. The Non-consent Alternative Payments shall cease on the earliest of (a) the date Grantee begins receiving revenue from the Well as to which Ultra's Interest was previously in a Non-Consent Status; or (b) the date Payout occurs. "Non-Consent Alternative Payment" means the amount payable to Grantee by Ultra attributable to a Well covered by a Production Payment as to which the Ultra Interest is in Non-Consent Status, calculated by taking the average of the monthly payments due to Grantee attributable to the Well for the twelve-month period immediately preceding the cessation of payments to Grantee. If the Production Payment has not been effective for twelve months, then the calculation shall be based upon the amount that would have been payable to Grantee as if the Production Payment had been effective for such preceding twelve-month period. "Non-Consent Status" as to an interest in a Well means that, because of subsequent operation on a Well and due to the terms of the Applicable Joint Operating Agreement, an interest owner ceases to receive, or have the right to receive, revenue attributable to such interest due to the interest owner's either (a) failing to make an election with regard to a proposed operation or (b) affirmatively declining to participate in a proposed operation.

3.16 *Third-Party Non-Consent Interests.* In the event that the working interest of any Non-Participating Interest Owner in a Well shall be acquired by Ultra pursuant to the Non-Participating Interest Owner's interest, or any part thereof, being placed in a Non-Consent Status and being funded by Ultra, then that portion of the Non-Participating Interest Owner's interest that is in Non-Consent Status and that is acquired by Ultra shall be included in Ultra's Net Revenue.

4. *Representations and Warranties of Ultra.*

4.1 *Special Warranty of Title.* Ultra shall warrant and forever defend title (other than as to ad valorem taxes not yet due and liens subordinated to this Production Payment) to all the interests hereby assigned and conveyed unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming the same or to claim the same or any part thereof by, through or under Ultra, but not otherwise. Ultra warrants that (i.) it, together with any Ratifying Parties, owns not less than a 63.75% working interest in the Wells in the Stud Horse Butte Prospect and not less than a 37.5% working interest in all other Wells shown on Schedule 1 and (ii.) all mineral interests in the spacing unit applicable to each Well are leased and subject to an Applicable Joint Operating Agreement.

[redacted] [redacted] [redacted]

4.2 *Other Representations and Warranties.* All of the other representations and warranties of Ultra contained in the Jonah Field Development Agreement are true and correct as of the date hereof.

5. *Default.* Any default under the Jonah Field Development Agreement shall be deemed to be a default in connection with the Production Payment, and Grantee shall thereupon be entitled to enforce the applicable remedies set forth in the Jonah Field Development Agreement.

6. *Miscellaneous.*

6.1 Covenants *Run with the Land.* All the covenants and agreements of Ultra herein contained shall be deemed to be covenants running with the land and shall be binding upon all successors in interest to Ultra and shall inure to the benefit of all successors in interest to Grantee.

6.2 *Successors and Assigns.* The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. All references herein to any of the parties hereto shall include their respective successors and assigns.

6.3 *Ratable Takes.* All gas purchases by a purchaser from the Wells dedicated to such purchaser shall be applied ratably, in proportion to the deliverability, to all wells in which Ultra or any affiliate has an interest and from which gas is dedicated in whole or in part to such purchasers.

6.4 *Prior Title Warranties.* This assignment is made with full substitution and subrogation of Grantee in and to all covenants of warranty by others heretofore given or made with respect to the Wells, underlying oil and gas leases, or any part thereof or interest therein.

6.5 *No Partnership.* None of the representations, warranties, covenants, or other provisions contained or incorporated herein shall, or shall be deemed to, give any party the right or power to exercise control over the affairs and/or management of any other party, nor to classify Grantee other than as an independent contractor having no agency, partnership, joint venture, or unaffiliated relationship with Ultra.

6.6 *Severability.* If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this assignment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

6.7 *Governing Law.* This assignment shall be governed by and interpreted in accordance with the laws of the State of Wyoming and the United States of America.

7. *Additional Instruments.* Ultra agrees to execute such other and additional instruments as may be necessary in order that Grantee may full enjoy all of the respective rights herein granted or intended to be granted pursuant to the Jonah Field Development Agreement.

8. *Effective Date.* This Assignment of Production Payment shall not enter into effect until all necessary approvals have been secured from the Vancouver Stock Exchange; provided, however, that when this Assignment does enter into effect, it shall be deemed to have been effective from and after date of first production from the Wells.

EXECUTED THIS 30th DAY OF JUNE, 1998.

ULTRA:
ULTRA PETROLEUM (USA), INC.

By: _____
R. G. "Jerry" Albertus, President

ULTRA RESOURCES, INC.

By: _____
R. G. "Jerry" Albertus, President

GRANTEE:
HALLIBURTON ENERGY SERVICES, INC.

By: _____
Bob Verrett, Vice President Integrated Solutions
Halliburton Energy Services Division

REVIEWED
OPERATIONS
LEGAL
SHDSVS

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Petroleum (USA), Inc., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF COLORADO)
) Ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by R. G. "Jerry" Albertus, as President of Ultra Resources, Inc., a Wyoming corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
MARCH 17, 2000

STATE OF TEXAS)
) Ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 21st day of July, 1998, by Bob Verrett, Vice President Integrated Solutions, Halliburton Energy Services, Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

NOTARY PUBLIC

My commission expires:
DONNA BUTTLES
MY COMMISSION EXPIRES
March 14, 2002
March 14, 2002

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

SCHEDULE 1

Well Name	Location
Stud Horse Butte 15-24	Township 29 North, Range 108 West Section 24: SW/4SE/4 Sublette County, Wyoming

After recording return to:

Judd Oualline
Morris & Campbell
600 Jefferson, Suite 800
Houston, Texas 77002

269266

MINERAL DEED

KNOW ALL MEN BY THESE PRESENTS, that GRINDSTONE CATTLE CO., a Wyoming corporation, of Sublette County, Wyoming, hereinafter "Grantor", for and in consideration of Ten Dollars ($10.00) and other valuable consideration, in hand paid, the receipt whereof is hereby acknowledged, does hereby remise, release and forever quitclaim unto JAMES M. MILLER, a married man, whose address is P.O. Box 105, Daniel, Wyoming 83115, hereinafter "Grantee", all of the mineral interest of said Grantor in the oil, gas, casinghead gas, and all associated hydrocarbons in and under and that may be produced from the following described lands situate in Sublette County, Wyoming, more particularly described as follows:

> Said interest being all right, title and interest in and to all minerals, including all the royalties due or to become due from the oil, gas and other hydrocarbon substances that may be produced, saved and sold from the following described lands situate in Sublette County, Wyoming, more particularly described as follows:

Township 33 North, Range 110 West, 6th P.M., Sublette County, Wyoming:

Section 15:	S½SW¼
Section 16:	All
Section 21:	E½, E½W½
Section 22:	SW¼NE¼, W½SE¼, W½
Section 27:	NW¼NE¼, W½SE¼, W½
Section 28:	NE¼, E½NW¼
Section 34:	W½NE¼, NW¼, NE¼SW¼, W½SE¼, SE¼SE¼

2,720 acres, more or less.

IN WITNESS WHEREOF, Grantor has caused this Mineral Deed to be duly executed this 12 day of August, 1997.

GRINDSTONE CATTLE CO.,
a Wyoming corporation

BY: James M Miller
President

ATTEST:

Jacquelyn M Miller
Secretary

RECORDED September 16 1998 9:00AM
IN BOOK 108 Oil & Gas PAGE 586
FEES $8.00 Mary Lillard COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING

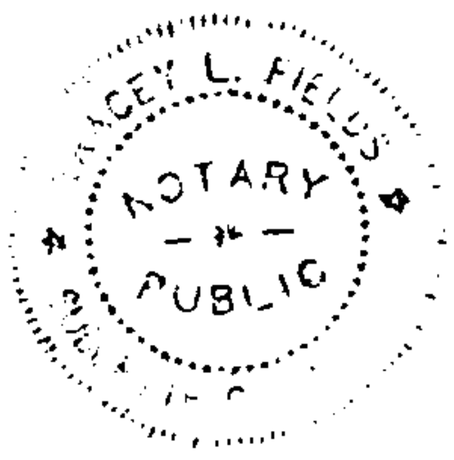
THE STATE OF WYOMING)
) ss
COUNTY OF Sublette)

The above and foregoing instrument was acknowledged before me this 19th day of August, 1997, by James M Miller and Marguerite M. Miller the President and Secretary, respectively, of Grindstone Cattle Co., a Wyoming corporation.

WITNESS my hand and official seal.

Tracey L Fields Hoover
Notary Public

My Commission Expires:
8/8/98



Form 3000-3
(October 1992)

OFFICE OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
95 AUG 16 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.: WYW-136819

Lease Effective Date (Anniversary Date): July 1, 1995

New Serial No.:

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* CENEX, INC. (32.625%)
   Street P. O. BOX 80770
   City, State, ZIP Code BILLINGS, MT 59108

*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 23: ALL SUBLETTE COUNTY, WY 269272 CONTAINING 640.00 ACRES, M/L RECORDED Sept 16 1998 M 10:10 A IN BOOK 108 Misc PAGE 588 FEES $ 10.00 COUNTY CLERK SUBLETTE COUNTY, PINEDALE, WYOMING By Shali Pope SUBJECT TO THAT CERTAIN PARTICIPATION AGREEMENT DATED APRIL 10, 1995, BY AND BETWEEN PLAINS PETROLEUM OPERATING COMPANY, STANLEY ENERGY W., INC. AND CENEX, INC.	100.00%	60.125%	39.875%	-0-	-0-

CERTIFIED
to be a true and comparative copy of the official records on file
AUG 13 1998
BUREAU OF LAND MANAGEMENT

WY1672

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

ORIGINAL

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 SEP 01 1995

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

By Phyllis A Stone
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 15 1995
(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.

STANLEY ENERGY W., INC. (27.50%)
1776 LINCOLN STREET
SUITE 410
DENVER, CO 80203

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998
BUREAU OF LAND MANAGEMENT

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 17th day of July, 19 95

Name of Assignor as shown on current lease PLAINS PETROLEUM OPERATING COMPANY
Please type or print

Assignor W. F. Wallace (Signature)
W. F. Wallace President

(Signature)

P. O. Box 281306
(Assignor's Address)

Lakewood, CO 80228
(City) (State) (Zip Code)

Executed this 24th day of July, 19 95

Assignee CENEX, INC.

or J. R. Keating (Signature)
Vice President

(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

590

ASSIGNMENT OF RECORD TITLE
WYW-136819

ASSIGNOR: PLAINS PETROLEUM OPERATING COMPANY

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
95 AUG 16 AM 9:00
RECEIVED
CHEYENNE, WYOMING

ADDITIONAL ASSIGNEE SIGNATURE PAGE

STANLEY ENERGY W., INC.
1776 LINCOLN STREET
SUITE 410
DENVER, CO 80203

BY: Walter L. Stanley

TITLE: Vice President

DATE: 8/1/95

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998
Sherri Hanlon
BUREAU OF LAND MANAGEMENT

Form 3000-3a
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Lease Serial No.

WYW136819

97 DEC 29 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)

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)*
   Street
   City, State, ZIP Code

Odyssey Exploration, Inc., 122 Plum Creek Place, Highlands Ranch, CO 80126 - .9625000%
Markus Production, Inc., 621 17th Street, Suite 1710, Denver, CO 80293 - .3128125%
South Pass Resources, Inc., 7182 S. Harrison Way, Littleton, CO 80122 - .2646875%

*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)* XX☐ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: *(Check one or both, as appropriate)* XX☐ Operating Rights (sublease) ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

Land Description	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
Additional space on reverse, if needed. Do not submit documents 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 23: All Containing 640.00 acres, more or less Sublette County, Wyoming	9.625%	1.54%	8.085%	None	7.5%

269273
RECORDED Sept 16 1998 AT 10:10 A
IN BOOK 108 Q+R PAGE 591
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shelli Page

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998
Cheryl Haslam
BUREAU OF LAND MANAGEMENT

FOR BLM USE ONLY--DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

ORIGINAL

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 JAN 01 1998

By Theresa M. Stevens (Authorized Officer)

LAND LAW EXAMINER (Title)

JAN 30 1998 (Date)

591

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.

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 13 1998
Cheryl Haston
BUREAU OF LAND MANAGEMENT

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 12 day of November, 19 97

Name of Transferor STANLEY ENERGY W., INC.
Please type or print

Transferor or Attorney-in-fact Scott R. Clark
By: Scott R. Clark, (Signature) Vice President
(Signature)

1776 Lincoln Street, Suite 410
(Transferor's Address)
Denver, CO 80203
(City) (State) (Zip Code)

Executed this 12 day of November, 19 97

ODYSSEY EXPLORATION, INC.

Transferee or Attorney-in-fact Scott R. Clark
(Signature)
(Signature)

MARKUS PRODUCTION, INC.

By: [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, (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 (1004-0034), 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: 1992-770-017/60003

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

97 DEC 29 AM 9:09

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998
Cheryl Thomas
BUREAU OF LAND MANAGEMENT

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 12th day of November, 19 97

Name of Transferor STANLEY ENERGY W, INC.
(Please type or print)

Transferor or Attorney-in-fact By: Scott R. Clark, Vice President
(Signature)

1776 Lincoln Street, Suite 410
(Transferor's Address)

Denver, CO 80203
(City) (State) (Zip Code)

Executed this 12 day of 12, 19 97

SOUTH PASS RESOURCES, INC.

Transferee or Attorney-in-fact
(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, (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 (1004-0034), 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: 1989-774-017/87023

Form 3100-11b
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. WYW136819

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 Plains Petro Oper Co
   Street Box 281306
   City, State, Zip Code Lakewood, CO 80228

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

269274

RECORDED September 16 1998 10:10 AM
BOOK 188 D+G PAGE 594
FILING $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Becky Page

Amount remitted: Filing fee $ _____ Rental fee $ _____

Total acres applied for _____
Total $ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. 028ON R. 109OW 06th Meridian WY State Sublette County
sec. 023 ALL;

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998
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 (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____ (Signing Officer) JUN 22 1995 (Date)

Land Law Examiner (Title)

EFFECTIVE DATE OF LEASE JUL 01 1995

(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.

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.

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998

BUREAU OF LAND MANAGEMENT

596

Form 3000-3
(January 1996)

97 DEC 11 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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.
WYW136819

Lease Effective Date
(Anniversary Date)
7/1/95

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee*
   Street
   City, State, ZIP Code

   Union Pacific Resources Company
   801 Cherry Street
   Fort Worth, TX 76102

*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 refereced 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 23: All Containing 640.00 acres, more or less Sublette County, Wyoming	27.5%	17.875%	9.625%	None	7.5%

269275
RECORDED Sept 16 1998 M 10:10 A
IN BOOK 108 Misc PAGE 596
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shaw Pape

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 13 1998
Cheryl Haston
BUREAU OF LAND MANAGEMENT

98 MAR -2 AM 9:00
CHEYENNE, WYOMING
RECEIVED
BUREAU OF LAND MANAGEMENT

ORIGINAL

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 APR 01 1998

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

By Teresa M. Stevens WY3-4/6619 LAND LAW EXAMINER APR 17 1998
(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 COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 6th day of October, 1997 by Lewis W. Douglas, known to me personally as the _____ President of Stanley Energy W., Inc., who executed the foregoing instrument on behalf of said corporation for the purposes herein set out.

Witness my hand and official seal.

My Commission Expires:
4-19-99

Renée Lewis
Notary Public

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998
Cheryl Knudson
BUREAU OF LAND MANAGEMENT

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 6th day of Oct, 19 97

Name of Assignor as shown on current lease STANLEY ENERGY W., INC.
Please type or print

Assignor _____
(Signature)
or
Attorney-in-fact President
(Signature)

1776 Lincoln Street, Suite 410
(Assignor's Address)

Denver, CO 80203
(City) (State) (Zip Code)

Executed this 25th day of November, 19 97

UNION PACIFIC RESOURCES COMPANY

Assignee _____
(Signature)
or
Attorney-in-fact Ann B. Brassard ccd
(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.

☆ U.S. GPO: 1996-774-004

State of Texas)
) ss.
County of Tarrant)

BUREAU OF LAND MANAGEMENT
98 MAR -2 AM 9:00
RECEIVED
CHEYENNE, WYOMING

BEFORE ME, the undersigned authority, on this day personally appeared ANNE M. BROUSSARD, known to me to be the person whose name is subscribed to the foregoing instrument as ATTORNEY-IN-FACT of UNION PACIFIC RESOURCES COMPANY, a Delaware Corporation, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 25th DAY OF November, 1997.

ANNE M. KOHLER
Notary Public
STATE OF TEXAS
My Comm. Exp. 01/10/2000

Bruce H. Klein
NOTARY PUBLIC

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 18 1998
Cheryl Haslam
BUREAU OF LAND MANAGEMENT

[redacted]

Form 3000-3
(October 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

[redacted]PROVED
OMB NO. 1004-0034
Expires: July 31, 1995

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
95 NOV 13 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-136819

Lease Effective Date
(Anniversary Date)
07/01/1995

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

WY1672

RECORDED Sept 16 1998 M 10:10A
IN BOOK 108 046 PAGE 599
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kathy Payne

1. Assignee*
   Street
   City, State, ZIP Code

Big West Oil & Gas Inc. 269276
333 West Center Street
North Salt Lake, UT 84054

*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 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 productio: 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 PM Section 23: All SUBLETTE COUNTY, WYOMING	~~60.125~~ 30.625 32	~~60.125~~ 30.625 32	0	0	Of Record

CERTIFIED
to be a true and comparative copy
of the official records on file
AUG 13 1998
BUREAU OF LAND MANAGEMENT

RECEIVED
CHEYENNE, WYOMING
96 MAR -4 AM 9:00
BUREAU OF LAND MANAGEMENT

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE

THE UNITED STATES OF AMERICA

ORIGINAL

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 APR 01 1996

By Pamela J. Lewis
(Authorized Officer)

☐ Assignment approved for attached land description

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

Chief, Leasable Minerals Section MAR 12 1996
(Title) (Date)

599

600

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.

CERTIFIED
to be a true and comparative copy
of the official records on file

AUG 13 1998

BUREAU OF LAND MANAGEMENT

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

On this 31st day of October, 1995, before me personally appeared J. R. Keating, who, being by me duly sworn, did say that he is the Vice President of CENEX, Inc., a Minnesota corporation, and that said instrument was signed in behalf of said corporation by authority of its Board of Directors, and said J. R. Keating acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and notarial seal the day and year in this certificate above written.

JUDITH L. BREWER NOTARIAL SEAL STATE OF MONTANA

Judith L. Brewer Notary Public
Residing at: Billings, Montana
My Commission expires December 7, 1995

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 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; 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 (¼) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 31st day of October, 19 95
but effective as of June 1, 1995.
Name of Assignor as shown on current lease CENEX, Inc.
Please type or print

Assignor or Attorney in fact: J.R. Keating, Vice President
(Signature)

PO Box 80770
(Assignor's Address)

Billings MT 59108
(City) (State) (Zip Code)

Executed this 31st day of October, 19 95
but effective as of June 1, 1995.

Assignee or Attorney in fact: Big West Oil & Gas Inc.
John R. Scales, Senior Vice President
(Signature)

Attest: Chris J. Malga, Assistant Secretary

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, (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 (1004-0034), 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: 1990-573-016/26030

[redacted] [redacted] [redacted]

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("**Assignment**") dated effective as of June 30, 1998 at 8:00 A.M. Mountain Standard Time (the "**Effective Time**"), is from Ocean Energy, Inc., a Louisiana corporation, 1201 Louisiana, Suite 1400, Houston, Texas 77002 ("**Assignor**") to Ocean Energy Resources, Inc., a Delaware corporation, with offices at 410 Seventeenth Street, Suite 1400, Denver, Colorado 80202 ("**Assignee**").

A. Assignor owns the "Assets" as defined below and, as part of an internal reorganization, Assignor desires to assign the Assets to Assignee.

B. Assignee is a wholly owned subsidiary of Assignor and desires to accept the assignment of the Assets as part of an internal reorganization of Assignee, all pursuant to the terms hereof.

NOW, THEREFORE, for one hundred dollars ($100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns, transfers, grants, bargains and conveys to Assignee all of Assignor's right, title and interest in and to all of Assignor's onshore North American assets, whether real, personal or mixed, movable or immovable, corporeal or incorporeal of every nature and description and whether or not such Assets are fully or accurately described herein or in any exhibit hereto, excluding only those assets described below in Exhibit C (the "**Assets**"). The Assets include, without limitation, all of the following onshore North American property:

1. Fee surface interests and mineral interests including, without limitation, the fee surface interests and mineral interests described in **Exhibit A** (the "**Fee Interests**").

2. Oil and gas leases, leasehold interests, royalty interests, overriding royalty interests, production payments, net profits interests, carried interests and other oil, gas or mineral interests, rights and properties including, but not limited to the oil and gas leases and other interests described in **Exhibit A** (the "**Leases**").

3. All right, title and interest in and to the oil, gas and all other hydrocarbons, whether liquid or gaseous in, on or under or that may be produced from the lands covered by the Fee Interests or Leases or lands pooled or unitized therewith (the "**Lands**") to the extent such hydrocarbons are in the tanks as of the Effective Time or are produced after the Effective Time (the "**Hydrocarbons**") and all other minerals of whatever nature in, on or under the Lands.

4. The wells (whether oil and/or gas, disposal, injection or water wells), whether producing, operating, shut-in or temporarily abandoned, located on the Lands (the "**Wells**") and all personal property, equipment and fixtures associated with the Wells.

269278

10:20A

RECORDED Sept. 11 1998 M
IN BOOK 108 PAGE 601
FEES $ 31.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sexton

DGS-124386.5
June 30, 1998 12:49 pm

When Recorded

Ocean Energy Resources, Inc.
ATTN: LAND DEPT.
410 17th Street, Suite 1400
Denver, Colorado 80202

601

5. All building leases including, without limitation, the building leases described in **Exhibit B**.

6. The rights, to the extent transferable, in and to all existing and effective unitization, pooling and communitization agreements, declarations and orders, to the extent that they relate to any of the interests described in paragraphs 1 through 4 above or the post-Effective Time production of Hydrocarbons from the Lands.

7. The rights, to the extent transferable, in and to Hydrocarbon sales, purchase, gathering, processing, and firm and interruptible transportation contracts, operating agreements, farmout and farmin agreements, partnership agreements, and other validly existing contracts, agreements and instruments, whether of record or not, relating to the interests described in paragraphs 1 though 5 above excluding, however, any insurance contracts.

8. All personal property, equipment and fixtures, or interests therein, located on or about the Lands and used in connection with the operation of the Leases including, but not limited to, all lease equipment, tanks, service and downhole equipment, structures, fixtures, flowlines, personal property, water gathering and disposal systems, electrical distribution systems, oil and gas production equipment, tubulars and inventory and all other equipment, appurtenances, and property of every kind and character, movable or immovable.

9. All gas gathering and transportation equipment, machinery and fixtures, including, without limitation, lines, compressors, meters, gauges, valves, fittings, flanges, pipe, pipe connectors, welds, interconnects and metering equipment, together with all appurtenant easements and rights-of-way, that are part of, appurtenant to or used in, on or in connection with any gathering or transportation system.

10. All contract rights, vehicles, personal property, equipment, leases, fixtures, tenements, appurtenances, improvements, permits, licenses, approvals, servitudes, rights-of-way, easements, surface leases and other surface rights.

11. To the extent transferable, all ownership interests in corporations, general partnerships, limited partnerships, limited liability companies, or other entities owning onshore North American Assets.

12. Without limiting the generality of the foregoing, all of Assignor's undivided interests including reversionary and other future interests owned but not yet vested in any of the interests described in paragraphs 1 through 11 above even though such interests may exceed the interests described on any Exhibits hereto or may be incorrectly described thereon.

13. The files, books, maps, records, data, including, but not limited to, any seismic data in Assignor's possession, to the extent transferable, and all other information owned or maintained by Assignor which relate solely to Assignor's onshore North American properties and copies of all other information principally related to any or all of the interests described in paragraphs 1 through

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

12 above together with the right, to the extent authorized, to examine seismic data in Assignor's possession which is not transferable (collectively, the "**Data**").

EXCLUDING only those onshore North American assets described in **Exhibit C**.

To have and to hold the Assets with all and singular the rights, privileges, and appurtenances thereto belonging or in anywise appertaining unto Assignee, and its successors and assigns, forever.

This Assignment is made and accepted expressly subject to the following terms and conditions:

A. THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, EXCEPT THAT ASSIGNOR WARRANTS TITLE TO THE ASSETS FROM AND AGAINST ALL PERSONS CLAIMING BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE.

B. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES ANY WARRANTY AS TO THE CONDITION OF ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES AND ITEMS OF MOVABLE PROPERTY COMPRISING ANY PART OF THE ASSETS, INCLUDING (I) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (ii) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (iii) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, (iv) ANY RIGHTS OF ASSIGNEE UNDER APPLICABLE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION, AND (v) ANY CLAIM BY ASSIGNEE FOR DAMAGES BECAUSE OF DEFECTS, WHETHER KNOWN OR UNKNOWN, IT BEING EXPRESSLY UNDERSTOOD BY ASSIGNEE THAT SAID PERSONAL PROPERTY, FIXTURES, EQUIPMENT, AND ITEMS ARE BEING CONVEYED TO ASSIGNEE "AS IS," "WHERE IS," WITH ALL FAULTS, AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR.

C. To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties and covenants given with respect to the Assets. Assignor hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations and warranties, if any, which Assignor is entitled to enforce with respect to the Assets, but only to the extent not enforced by Assignor.

D. Assignee assumes and agrees to pay, perform, fulfill and discharge all claims, costs, expenses, liabilities and obligations accruing or relating to the owning, developing, exploring, operating or maintaining of the Assets or the producing, transporting and marketing of Hydrocarbons from the Assets, including, without limitation, the obligation to plug and abandon all Wells and reclaim all Well sites, and all obligations arising under agreements covering or relating to the Assets.

E. This Assignment shall be null and void *ab initio* if and to the extent it triggers any preferential rights to purchase or change of operator provisions under operating agreements or other contracts applicable to any part of the Assets but only as to the specific Assets affected by such preferential rights to purchase or change of operator provisions.

F. The references herein to liens, encumbrances, burdens, defects and other matters shall not be deemed to ratify or create any rights in third parties.

G. Unless provided otherwise, all recording references in the Exhibits hereto are to the official real property records of the county or parish in which the Assets are located.

H. Separate governmental form assignments of the Assets may be executed on officially approved forms by Assignor to Assignee, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assets conveyed herein.

I. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns. The terms and conditions contained herein shall constitute covenants running with the land, and shall be binding upon, and for the benefit of, the respective successors and assigns of Assignor and Assignee.

J. The parties shall execute, acknowledge and deliver or cause to be executed, acknowledged, and delivered such instruments and take such other action as may be necessary or advisable to carry out their intent under this Assignment.

K. Assignee hereby agrees to assume all outstanding liens, losses, claims, demands, suits, liability, and expenses of any kind or character including, without limitation, environmental claims and liabilities and taxes ("**Losses**"), arising out of, in connection with, or resulting from Assignor's ownership or operation of the Assets prior to the Effective Time. To the extent permitted by law, Assignee agrees to indemnify and hold harmless Assignor, its officers, directors, employees and agents, from and against any and all Losses arising out of, in connection with, or resulting from Assignor's or Assignee's ownership or operation of the Assets and including Assignee's obligation to properly plug and abandon Wells and restore wellsites.

L. Assignee shall be deemed to have released Assignor from any Losses for which Assignee has agreed to indemnify Assignor hereunder.

M. This Assignment may be executed in any number of counterparts, and by different parties in separate counterparts, each of which shall be deemed to be an original instrument, but all of which together shall constitute but one instrument. To facilitate the recording of this Assignment in the counties or parishes and states in which the Assets are situated, a counterpart hereof which is recorded in any county or parish of a particular state may have attached thereto only that portion

of the Exhibits which describe and pertain to Assets affected thereby which are situated in that particular county or parish.

EXECUTED and DELIVERED this 30th day of June, 1998.

ASSIGNOR:

Attest:

Asst. Secretary

OCEAN ENERGY, INC.

Jim Lee Wolfe
Vice President - Operations, Denver

ASSIGNEE:

Attest:

Asst. Secretary

OCEAN ENERGY RESOURCES, INC.

Gary R. McGregor
Executive Vice President and Chief Operating Officer

ACKNOWLEDGMENT - OCEAN ENERGY, INC.

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

(Colorado and all states for which no other acknowledgment form is provided)

The foregoing instrument was acknowledged before me this 30th day of June, 1998 by Jim Lee Wolfe, as Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation.

(Alabama)

I hereby certify that Jim Lee Wolfe, whose name as Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation. Given under my hand this 30th day of June, 1998.

(California)

On the 30th day of June, 1998, before the undersigned, personally appeared Jim Lee Wolfe, Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity on behalf of which the person acted, executed the instrument.

(Florida)

The foregoing instrument was acknowledged before me this 30th day of June, 1998 by Jim Lee Wolfe as Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation, on behalf of the corporation. He is personally known to me.

(Georgia)

The undersigned does certify that Jim Lee Wolfe, who is personally known to me, as Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation, this day appeared before me personally and did acknowledge that he signed, sealed and delivered the foregoing instrument of his free will and accord, for the purposes therein named and expressed.

(Mississippi)

Personally appeared before me on this 30th day of June, 1998, the within-named Jim Lee Wolfe, who acknowledged that he is Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation, and that for and on behalf of the said corporation, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said corporation to do so.

(Texas)

Before the undersigned on this day personally appeared Jim Lee Wolfe, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the Vice President - Operations, Denver of Ocean Energy, Inc., a Louisiana corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

Witness my hand and official seal.

My commission expires September 3, 2001.



Notary Public
Kathleen R. Vigil
410 Seventeenth Street, Suite 1400
Denver, Colorado 80202

ACKNOWLEDGMENT - OCEAN ENERGY RESOURCES, INC.

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

(Colorado and all states for which no other acknowledgment form is provided)

The foregoing instrument was acknowledged before me this 30th day of June, 1998 by Gary R. McGregor, as Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation.

(Alabama)

I hereby certify that Gary R. McGregor, whose name as Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation. Given under my hand this 30th day of June, 1998.

(California)

On the 30th day of June, 1998, before the undersigned, personally appeared Gary R. McGregor, Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity on behalf of which the person acted, executed the instrument.

(Florida)

The foregoing instrument was acknowledged before me this 30th day of June, 1998 by Gary R. McGregor as Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation, on behalf of the corporation. He is personally known to me.

(Georgia)

The undersigned does certify that Gary R. McGregor, who is personally known to me, as Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation, this day appeared before me personally and did acknowledge that he signed, sealed and delivered the foregoing instrument of his free will and accord, for the purposes therein named and expressed.

(Mississippi)

Personally appeared before me on this 30th day of June, 1998, the within-named Gary R. McGregor, who acknowledged that he is Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation, and that for and on behalf of the said corporation, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said corporation to do so.

(Texas) Before the undersigned on this day personally appeared Gary R. McGregor, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the Executive Vice President and Chief Operating Officer of Ocean Energy Resources, Inc., a Delaware corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

Witness my hand and official seal.

My commission expires September 3, 2001.

Notary Public
Kathleen R. Vigil
410 Seventeenth Street, Suite 1400
Denver, Colorado 80202

609

PROSPECT PACIFIC CREEK
STATE OF WYOMING COUNTY OF SUBLETTE

Lease Number	Lessor	Lessee	Lease Date	Twsp	Rge	P-M	Sec	Legal Description	Book-Page-Register
WY-0192-001*	USA WYW 122959	GENERAL ATLANTIC	01/01/91	27N	104W		21 22 26 29	S/2NW/4 NE/4NW/4 S/2N/2 ALL	NOT-RECORDED-

PROSPECT MERNA
STATE OF WYOMING COUNTY OF SUBLETTE

Lease Number	Lessor	Lessee	Lease Date	Twsp	Rge	P-M	Sec	Legal Description	Book-Page-Register
WY-0193-001*	USA WYW 122967	GENERAL ATLANTIC	01/01/91	36N	112W		3 4 9	LOTS 3, 4, S/2NW/4, SW/4 LOT 1, S/2NE/4, S/2 N/2, SE/4	NOT-RECORDED-

(11)

PROSPECT BIG PINEY
STATE OF WYOMING COUNTY OF SUBLETTE

Lease Number	Lessor	Lessee	Lease Date	Twsp	Rge	P-M	Sec	Legal Description	Book-Page-Register
WY-0290-001*	USA WYW 43911	WILLIAM R INGEBRETSON	08/01/56	29N	112W		13 24 25	SE/4, S/2SW/4 W/2NW/4, SW/4 N/2NW/4	NOT-RECORDED-
WY-0290-002*	USA WYW 039908	WILLIAM R INGEBRETSON	08/01/56	29N	112W		24 25 35	E/2, E/2NW/4 S/2, S/2N/2, N/2NE/4 ALL	NOT-RECORDED-

EXHIBITA

Exhibit A

PROSPECT MICKELSON CREEK
STATE OF WYOMING COUNTY OF SUBLETTE

Lease Number	Lessor	Lessee	Lease Date	Twsp	Rge	P-M	Sec	Legal Description	Book-Page-Register
WY-0304-001*	USA WYW 05900 C	LUELLA JOHNSON	06/01/51	32N	114W		19	SE/4NE/4, NE/4SE/4 (BELOW THE BASE OF THE MESAVERDE ONLY)	NOT-RECORDED-

613

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
98 AUG 31 AM 9:00
RECEIVED
CHEYENNE, WYOMING

Form 3800-3
(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-114049

Lease Effective Date
(Anniversary Date)
01-01-89

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. **Assignee*** SHAMA ZOE LIMITED PARTNERSHIP
Street 7128 S. POPLAR LANE
City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 110W, 6TH P.M. SECTION 2 : LOTS 1-4, S2N2, S2; SECTION 3 : LOTS 1-4, S2N2, S2; SECTION 11: ALL; 269280 Containing 1,915.16 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	6%

RECORDED September 11, 19 98 at 11:20 AM
IN BOOK 109 PAGE 414
FEES $ 8.00
SUBLETTE COUNTY, PINEDALE WYOMING

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 land
Assignment approved effective SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 1 1998
(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 HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98
CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print
Assignor or Attorney-in-fact D. T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98
SHAMA ZOE LIMITED PARTNERSHIP
Assignee or Attorney-in-fact Gilman A. Hill Gen. Partner
(Signature)
Gilman A. Hill, General Partner

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
98 AUG 31 AM 9:00
RECEIVED
CHEYENNE, WYOMING

Form 3600-5
(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-117450
Lease Effective Date
(Anniversary Date)
09-01-89
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* SHAMA ZOE LIMITED PARTNERSHIP
Street 7128 S. POPLAR LANE
City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 110W, 6TH P.M. SECTION 23 : ALL SECTION 24 : ALL 269281 Containing 1,280.0 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	4%

RECORDED September 16 1998 11:00 AM
IN BOOK 108 B+G PAGE 616
FEES $ 8.00 + 2.00 + 1.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Shaka Pape

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 SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 1 1998
(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. 7, if needed.

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98

Name of Assignor as shown on current lease CHEVRON U.S.A. PRODUCTION COMPANY
Please type or print

Assignor or Attorney-in-fact D. T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98

Assignee or Attorney-in-fact Gilman A. Hill Gen. Partner (Signature)
SHAMA ZOE LIMITED PARTNERSHIP
Gilman A. Hill, General Partner

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
98 AUG 31 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-120778
Lease Effective Date
(Anniversary Date)
07-01-90
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* SHAMA ZOE LIMITED PARTNERSHIP
   Street 7128 S. POPLAR LANE
   City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 110W, 6TH P.M. SECTION 4: LOTS 1-4, S2N2, S2; SECTION 9: ALL; SECTION 10: ALL; Containing 1,917.04 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	4%

269282

RECORDED September 16 1998 11:00 AM
IN BOOK 108 O&G PAGE 618
FEES $ 8.00 m L Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Shala Pape

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 land
Assignment approved effective SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 1 1998
(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 TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98
CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print
Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98
SHAMA ZOE LIMITED PARTNERSHIP
Assignee or Attorney-in-fact Gilman A. Hill Gen. Partner
(Signature)
Gilman A. Hill, General Partner

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
98 AUG 31 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-120779
Lease Effective Date
(Anniversary Date)
07-01-90
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* SHAMA ZOE LIMITED PARTNERSHIP
Street 7128 S. POPLAR LANE
City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 110W, 6TH P.M. SECTION 5: LOTS 1-4, S2N2, S2; SECTION 6: LOTS 1, 2, 7, 9, SENE, SESW, SE; SECTION 7: LOTS 1-4, E2, E2W2; 269283 Containing 1,643.27 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	4%

RECORDED September 16 1998 11:00 AM
IN BOOK 108 O & G PAGE 620
FEES $ 8.00 M 2.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kala Hope

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 land. SEP 1 1998
Assignment approved effective

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER SEP 1 1998
(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 HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98
CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print

Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98
SHAMA ZOE LIMITED PARTNERSHIP
Assignee or Attorney-in-fact Gilman A. Hill, General Partner
(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

622

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form 3000-3
(October 1992)

98 AUG 31 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.
WYW-120780
Lease Effective Date
(Anniversary Date)
07-01-90
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* SHAMA ZOE LIMITED PARTNERSHIP
Street 7128 S. POPLAR LANE
City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 29 NORTH, RANGE 110W, 6TH P.M. SECTION 15: ALL SECTION 21: ALL; SECTION 22: ALL; Containing 1,920.0 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	4%

269284

RECORDED September 16 1998 11:00 AM
IN BOOK 108 R&E PAGE 622
FEES $ 8.00 M L Lee COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Shelli Page

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 SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 1 1998
(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 HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98
CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print
Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98
SHAMA ZOE LIMITED PARTNERSHIP
Assignee or Attorney-in-fact Gilman A. Hill, Gen. Partner
(Signature)
Gilman A. Hill, General Partner

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

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*U.S. GPO: 1992-774-017 / 67022

624

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
98 AUG 31 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-120782
Lease Effective Date (Anniversary Date)
07-01-90
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. **Assignee*** SHAMA ZOE LIMITED PARTNERSHIP
   Street 7128 S. POPLAR LANE
   City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 29 NORTH, RANGE 110W, 6TH P.M. SECTION 27: ALL SECTION 28: ALL; SECTION 29: SWSW; SECTION 33: SENW, S2; SECTION 34: ALL 269285 Containing 2,320.0 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	4%

RECORDED September 16 1998 11:00 AM
IN BOOK 108 , 046 PAGE 624
FEES $ 8.00 [illegible] COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By [illegible]

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 SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER (Title) SEP 1 1998 (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 HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 06-12-00

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 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 leases; (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 29th day of JUNE ,19 98
CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print
Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98
SHAMA ZOE LIMITED PARTNERSHIP
Assignee or Attorney-in-fact Gilman A. Hill, Gen. Partner
(Signature)
Gilman A. Hill, General Partner

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

626

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Form 3880.6
(October 1992)
98 AUG 31 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

Lease Serial No.
WYW-132401

Lease Effective Date
(Anniversary Date)
06-01-94

New Serial No.

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* SHAMA ZOE LIMITED PARTNERSHIP
   Street 7128 S. POPLAR LANE
   City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 110W, 6TH P.M. SECTION 1: LOTS 1-4, S2N2, S2; SECTION 12: ALL; 269286 Containing 1,278.44 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	NONE

RECORDED September 16 1998 11:00 A M
IN BOOK 108 of R PAGE 626
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Shelia Pape

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 SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 1 1998
(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 HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98

CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print

Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98

SHAMA ZOE LIMITED PARTNERSHIP

Assignee or Attorney-in-fact Gilman A. Hill, General Partner
(Signature)
Gilman A. Hill, General Partner

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

628

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
98 AUG 31 AM 9:00
RECEIVED
CHEYENNE, WYOMING

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-132402
Lease Effective Date (Anniversary Date)
06-01-94
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* SHAMA ZOE LIMITED PARTNERSHIP
   Street 7128 S. POPLAR LANE
   City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 110W, 6TH P.M. SECTION 13 : ALL SECTION 14 : ALL 269287 Containing 1,280.0 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	NONE

RECORDED September 16 1998 11:00A M
IN BOOK 108 Misc PAGE 628
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kate Page

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 SEP 1 1998

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER
(Title)

SEP 1 1998
(Date)

[redacted] [redacted] [redacted]

[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.

FEB 1 1999

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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 29th day of JUNE ,19 98

CHEVRON U.S.A. PRODUCTION COMPANY

Name of Assignor as shown on current lease

Please type or print

Assignor or Attorney-in-fact D. T. Berlin

D. T. BERLIN

1301 MCKINNEY ST.

(Assignor's Address)

HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,1998

SHAMA ZOE LIMITED PARTNERSHIP

Assignee or Attorney-in-fact Gilman A. Hill, Gen Partner

(Signature)

Gilman A. Hill, General Partner

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

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*U.S. GPO: 1992-774-017 / 67022

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form 3000-3
(October 1992)

98 AUG 31 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.
WYW-132403

Lease Effective Date
(Anniversary Date)
06-01-94

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* SHAMA ZOE LIMITED PARTNERSHIP
   Street 7128 S. POPLAR LANE
   City, State, ZIP Code ENGLEWOOD, COLORADO 80112

*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 29 NORTH, RANGE 110W, 6TH P.M. SECTION 33: NE4; 269288 Containing 160.0 acres, more or less, Sublette County, Wyoming.	100%	100%	NONE	NONE	NONE

RECORDED September 11 1998 11:00AM
IN BOOK 108 A&A PAGE 630
FEES $ 8.00 Mtg & Rel
SUBLETTE COUNTY, PINEDALE WYOMING COUNTY CLERK
By Blake Payne

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 land. SEP 1 1998
Assignment approved effective

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

By /s/ Theresa M. Stevens
(Authorized Officer)

LAND LAW EXAMINER SEP 1 1998
(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 HARRIS §

This instrument was acknowledged before me on June 29th, 1998, by D. T. Berlin, as Attorney in Fact for Chevron U.S.A. Production Company, a division of Chevron U.S.A. Corporation, on behalf of said corporation.

Kathleen A. Day
Notary Public, State of Texas

Kathleen A. Day
Notary Public
State of Texas
My Comm. Exp. 08-12-00

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 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 leases; (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.

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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 29th day of JUNE ,19 98
CHEVRON U.S.A. PRODUCTION COMPANY
Name of Assignor as shown on current lease
Please type or print
Assignor or Attorney-in-fact D.T. Berlin
D. T. BERLIN
1301 MCKINNEY ST.
(Assignor's Address)
HOUSTON (City) TEXAS (State) 77010 (Zip Code)

Executed this 7 day of July ,19 98
SHAMA ZOE LIMITED PARTNERSHIP
Assignee or Attorney-in-fact Gilman A. Hill Gen. Partner (Signature)
Gilman A. Hill, General Partner

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

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*U.S. GPO: 1992-774-017 / 67022

AGREEMENT TO AMEND OIL AND GAS LEASE TO CORRECT LEASE DESCRIPTION

State: Wyoming

County: Sublette

Lessor: Grindstone Cattle Co., a Wyoming Corporation and James M. Miller, Individually

Lessor's Address: P.O. Box 105, Daniel, Wyoming 83115

Lessee: Starwood, Inc., a Texas Corporation

Lessee's Address: P.O. Box 200, Basalt, Colorado 81621

Date Executed: May 12, 1997

Effective Date: March 1, 1997

269293

RECORDED September 16 1998 12:40 PM
IN BOOK 108 P+F PAGE 632
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Kathi Pape

Lessee, named above, is the present owner and holder of the Oil and Gas Lease (the "Lease"), dated March 1, 1997 from Lessor, named above, recorded in Book 104, page 685 of the Oil & Gas Records of the county and state named above.

At the time the Lease was entered into, the description of the lands contained in the Lease was believed by the Lessor and Lessee to cover, and was intended by them to cover, certain lands owned by the Lessor.

Since the execution and delivery of the Lease, it has been discovered that the description of lands contained in the Lease does not adequately describe the lands it was the intent of the Lessor to lease to the Lessee. It is the desire of the Lessor and Lessee to amend and correct the description of lands in the Lease to accurately identify the lands to be covered by the Lease.

For adequate consideration, and the further consideration of the obligations and agreements contained in the Lease, Lessor hereby acknowledges and agrees that

[redacted] [redacted] [redacted]

the Lease shall now include and the Lease is hereby amended so that it now includes the following lands in the county and state named above:

Township 35 North, Range 112 West of the 6th P.M.

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

Lessor ratifies, adopts, and confirms the Lease and extends the Lease to include the lands described in this Agreement as if the description of lands set out above had been originally included in the Lease. Lessor grants, leases, and lets to Lessee, its successors and assigns, the lands described in the Agreement for the purposes and upon the terms, conditions and provisions as contained in the Lease.

This Agreement shall be binding for all purposes on Lessor and Lessor's successors, heirs and assigns.

LESSOR

LESSOR

Attest:

Grindstone Cattle Co., A Wyoming Corp.

By: _____

Marguerite M. Miller, Secretary

By: _____

James M. Miller, President

By: _____

James M. Miller, Individually

LESSEE

LESSEE

Starwood, Inc., A Texas Corporation

By: _____

Don R. Holloway, President

633

STATE OF WYOMING

COUNTY OF SUBLETTE

On this 8TH day of SEPTEMBER, A.D. 1998, before me personally appeared James M. Miller, to be personally known, who, being by me duly sworn, did say that he is the President of Grindstone Cattle Company and that the seal affixed to said instrument is the Corporate seal of said Corporation and that said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and said Secretary acknowledged said instrument to be free act and deed of said Corporation.

Witness my hand and seal this 8TH day of SEPTEMBER, A.D. 1998.

MARY L. LAUNIUS NOTARY PUBLIC SUBLETTE COUNTY, WYOMING

Notary Public

Address PINEDALE, WYOMING

My Commission expires 5/17/02

RECORDED Sept 16 1998 M 12:65P
IN BOOK 108 O-R PAGE 635
FEES $ 24.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Barbi Pape

269294

AMENDMENT OF MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT, FINANCING STATEMENT AND FIXTURE FILING

THIS AMENDMENT OF MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT, FINANCING STATEMENT AND FIXTURE FILING (this "Instrument"), dated as of August 12, 1998, is among ST OIL COMPANY, a Nevada corporation ("Debtor"), f/k/a SHEFFIELD OPERATING COMPANY, INC., Tax I.D. No. 84-0866371, with an address at 1801 Broadway, Suite 600, Denver, Colorado 80202, DON MCDONALD, as trustee ("Successor Trustee"), with an address at 1740 Broadway, Denver, Colorado 80274-8699, and NORWEST BANK COLORADO, NATIONAL ASSOCIATION, a national banking association ("Norwest"), with an address at 1740 Broadway, Denver, Colorado 80274-8699.

RECITALS

A. Reference is made to a Mortgage, Deed of Trust, Security Agreement, Assignment, Financing Statement and Fixture Filing dated as of April 9, 1993 (the "Original Deed of Trust"), as amended by an Amendment of Mortgage, Deed of Trust, Security Agreement, Assignment, Financing Statement and Fixture Filing dated as of November 4, 1996 (the "First Amendment"), the terms and provisions of which and the description of the real and personal property covered by which are hereby incorporated herein by this reference. The Original Deed of Trust and the First Amendment were filed and recorded as described in Schedule I attached hereto and made a part hereof.

B. Unless otherwise defined herein, terms defined in the Deed of Trust shall have the same meanings when used herein.

C. If necessary for the recordation hereof, the counterparts hereof to be recorded in certain counties listed in Recital C above shall have attached thereto as Schedule II a description of land heretofore covered by the Deed of Trust; provided that, notwithstanding the inclusion on Schedule II of the description of any property heretofore covered by the Deed of Trust, to the extent that any property described on Schedule II has heretofore been partially released of record from the Deed of Trust, its inclusion on Schedule II is not intended, and shall not be deemed, to re-subject any such partially released property to the liens and security interests created pursuant to the Deed of Trust.

D. The parties wish to amend the Deed of Trust as described herein.

AMENDMENT

IN CONSIDERATION of the sum of ten dollars ($10.00) in hand paid by Norwest to Debtor and of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree that the Deed of Trust shall be amended as follows:

1. The entities, other than ST Oil Company, a Nevada corporation, f/k/a Sheffield Operating Company, Inc., originally included within the definition of "Debtor" contained in the Deed of Trust shall be deleted as parties to the Deed of Trust. All references in the Deed of Trust to "Debtor" shall be deemed to refer to ST Oil Company, a Nevada corporation, f/k/a Sheffield Operating Company, Inc.

2. The following shall be substituted for Section 1.1.A of the Deed of Trust:

> A. (1) Payment of and performance of all obligations of Debtor under or in connection with the promissory note dated April 9, 1993, as heretofore or hereafter amended, extended, modified or substituted for (the "Note"), made by Debtor, in the face amount of $5,000,000, payable to the order of Norwest on or before June 30, 2000 (unless payable sooner pursuant to the terms of the Credit Agreement), with interest at the rate specified in the Credit Agreement, which rate at the date hereof is an annual rate equal to: (a) prior to maturity, whether by acceleration or otherwise, the fluctuating interest rate announced publicly by Norwest, from time to time as its prime rate, which may not be the lowest interest rate charged by Norwest (the "Prime Rate"), which Prime Rate is currently 8.5 percent per annum, plus one and one-half percentage points per annum, and (b) after maturity, whether by acceleration or otherwise, the fluctuating Prime Rate, adjustable the day of any change in such rate, plus five percentage points per annum;
>
> (2) Payment of and performance of all obligations of Debtor under or in connection with the promissory note dated August 12, 1998, as heretofore or hereafter amended, extended, modified or substituted for, made by Debtor, in the face amount of $500,000, payable to the order of Norwest

on or before December 31, 1999, with interest at the rate specified in the letter agreement dated August 12, 1998, which rate at the date hereof is an annual rate equal to: (a) prior to maturity, whether by acceleration or otherwise, the fluctuating Prime Rate plus three percentage points per annum, and (b) after maturity, whether by acceleration or otherwise, the fluctuating Prime Rate, adjustable the day of any change in such rate, plus five percentage points per annum;

3. Exhibit A attached to the Deed of Trust shall be amended by adding thereto Exhibit A attached hereto, it being the intention of the parties that the properties described in Exhibit A attached hereto (the "Additional Interests") be added to Exhibit A to the Deed of Trust and that Debtor grant to Norwest liens on and security interests in the following (the "Additional Collateral"): all of the right, title and interest of Debtor in and to the Additional Interests and in and to certain related property, rights and interests, as more fully described in the definition of "Collateral" contained in the Deed of Trust (the "Additional Collateral") to the same extent as if the Deed of Trust (as amended by the revisions described in this Instrument), with Exhibit A attached hereto being added to the Exhibit A originally attached thereto (but excluding any properties as to which the Deed of Trust has heretofore been partially released of record) were being delivered as of the date hereof. All references herein and in the Deed of Trust to the "Collateral" and the "Interests" shall be deemed to refer to the Collateral and the Interests originally described in the Deed of Trust (but excluding any properties as to which the Deed of Trust has heretofore been partially released of record) and the Additional Collateral and the Additional Interests being added to the Deed of Trust as described above.

GRANT

Debtor hereby:

A. Grants, bargains, sells, assigns, transfers, pledges, mortgages and conveys, and grants a security interest in, the Collateral to Norwest, WITH POWER OF SALE, for the security and benefit of Norwest; and

B. Grants, bargains, sells, assigns, transfers and conveys the Collateral to Successor Trustee, WITH POWER OF SALE pursuant to this Instrument and applicable law, for the benefit of Norwest, but subject to the rights of Norwest under the assignment of severed and extracted Hydrocarbons and the proceeds thereof made under C below; and

C. Assigns to Norwest all of the severed and extracted Hydrocarbons produced from or attributed to any of the Interests, together with all amounts that become payable to Debtor with respect to any of the Collateral, whether now owned or hereafter acquired, and all of the proceeds thereof.

TO HAVE AND TO HOLD the Collateral to Norwest and its successors and assigns forever, for the security and benefit of Norwest and its successors and assigns, and TO HAVE AND TO HOLD the Collateral to Successor Trustee and his successors and assigns forever, IN TRUST, subject to all of the terms, conditions, covenants and agreements herein set forth, for the security and benefit of Norwest and its successors and assigns.

MISCELLANEOUS

This Instrument shall bind and inure to the benefit of the respective successors and assigns of Debtor and Norwest, including, without limitation, any and all other banks, lending institutions and parties which may participate in the indebtedness evidenced by the Obligations or any of them. Notwithstanding any other provision contained herein, if any property interest granted by this Instrument does not vest on the execution and delivery of this Instrument, it shall vest, if at all, no later than 20 years after the date of execution and delivery of this Instrument.

EXECUTED as of the date first above written.

NORWEST BANK COLORADO, NATIONAL ASSOCIATION

By: _____
Don McDonald,
Vice President

_____
DON MCDONALD,
SUCCESSOR TRUSTEE

ST OIL COMPANY f/k/a SHEFFIELD OPERATING COMPANY, INC.

ATTEST:

_____ By: _____
Michelle L. Hiller, Asst Secretary
J. Samuel Butler,
President

(SEAL) The Company has No seal

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

(Montana)

On this day before me, the undersigned notary public, personally appeared: Don McDonald, known to me to be the Vice President of NORWEST BANK COLORADO, NATIONAL ASSOCIATION, a national banking association, successor in interest to NORWEST BANK DENVER, NATIONAL ASSOCIATION, the national banking association that executed the within instrument, and acknowledged to me that such national banking association executed the same; and DON MCDONALD, as Successor Trustee. Witness my hand and official seal as of ~~August~~ September 4, 1998.

(Colorado, North Dakota, Texas, Wyoming)

~~September~~ This instrument was acknowledged before me this 4th day of ~~August~~, 1998, by: Don McDonald, as Vice President of NORWEST BANK COLORADO, NATIONAL ASSOCIATION, a national banking association, successor in interest to NORWEST BANK DENVER, NATIONAL ASSOCIATION, on behalf of said national banking association; and DON MCDONALD, as Successor Trustee. Witness my hand and official seal.

JANICE GASKILL NOTARY PUBLIC STATE OF COLORADO

Janice Gaskill
~~Janice Gaskill~~ Notary Public
Residing in: ~~Janice Gaskill~~ Denver, CO
~~Notary Public~~
~~Norwest Bank Denver, N.A.~~
~~1740 Broadway~~
Denver, CO 80274-8699

My commission expires: My Commission Expires 2/28/2001

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

(Montana)

On this day before me, the undersigned notary public, personally appeared J. Samuel Butler, known to me to be the President of ST OIL COMPANY, a Nevada corporation, f/k/a SHEFFIELD OPERATING COMPANY, INC., the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same. Witness my hand and official seal as of August 31, 1998.

(Colorado, North Dakota, Texas, Wyoming)

This instrument was acknowledged before me on this 31st day of August, 1998, by J. Samuel Butler, as President of ST OIL COMPANY, a Nevada corporation, f/k/a SHEFFIELD OPERATING COMPANY, INC., on behalf of said corporation. Witness my hand and official seal.

SANDRA M. PARSONS-ESSERY NOTARY PUBLIC STATE OF COLORADO

Sandra M. Parsons-Essery
Sandra M. Parsons-Essery, Notary Public
Residing in: Denver, CO

My commission expires: September 6, 1999

MY COMMISSION EXPIRES

(SEAL)

[redacted] [redacted] [redacted]

SCHEDULE I

1. The Original Deed of Trust was filed and recorded as follows:

State	County	Filing Date	Recording Data Book	Page
Montana	Richland	04/15/93	B-140	652
	Roosevelt	04/15/93	553 Mtg	1
North Dakota	Williams	04/20/93	Microfilm	549231
Texas	Webb	04/20/93	106	841

2. The First Amendment was filed and recorded as follows:

State	County	Filing Date	Recording Data Book	Page
Montana	Richland	11/12/96	B-151	191
Montana	Roosevelt	11/12/96	575 Mtg	1
North Dakota	Williams	11/12/96	Microfilm	567225
Texas	Webb	11/13/96	455	870
Wyoming	Sublette	11/26/96	104 O&G	60

SCHEDULE II

SUBLETTE COUNTY, WYOMING

T. 31 N., R. 109 W.

Section 11: SW/4NW/4, Lot 7 (SE/4SE/4), SE/4NE/4.

[redacted] [redacted] [redacted]

EXHIBIT 'A'

Sublette County, Wyoming

Leasehold

Lessor:	Brandt Jensen, et al
Lessee:	Leonard Hay
Date:	07/01/75
Recorded:	Book 58 O&G, Page 626
Description:	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/4SW/4 Section 14: Lots 1, 2, NE/4NW/4 Section 15: Lots 1, 2 Also all the bed of the New Fork River between mean high water and medial lines thereof, in front of and appurtrenant to Lots 2, 3, 4, 5, 6, and 7 Section 11, Lots 1 and 2 Section 14, and Lots 1 and 2, Section 15, T31N, R109W, 6th P.M.

Wells

Well Name:	Jensen #1
Unit Description:	Township 31 North, Range 109 West, 6th P.M. Section 11: SW/4NW/4 Sublette County, Wyoming
Unit Working Interest:	22.50%
Unit Net Revenue Interest:	18.75%
Well Name:	Jensen #2
Unit Description:	Township 31 North, Range 109 West, 6th P.M. Section 11: Lot 7 (SE/4SE/4) Sublette County, Wyomoing
Unit Working Interest:	22.50%
Unit Net Revenue Interest:	18.75%
Well Name:	Jensen #3
Unit Description:	Township 31 North, Range 109 West, 6th P.M. Section 14: NE/4NW/4 Sublette County, Wyoming
Unit Working Interest:	21.875%
Unit Net Revenue Interest:	18.229167%

Exhibit 'A'
Page 2

Leasehold

Lessor:	Elva Louise Vible
Lessee:	Leonard Hay
Date:	09/16/94
Recorded:	Book 99 O&G, Page 83
Description:	Township 31 North, Range 108 West, 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, 6th P.M. Section 32: S/2SW/4 Township 31 North, Range 109 West, 6th P.M. Section 1: S/2NE/4, Lot 5 (SE/4SE/4), NE/4SE/4, W/2SE/4, E/2SW/4, SW/4SW/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) Sublette County, Wyoming

Well

Well Name:	Vible #1
Unit Description:	Township 31 North, Range 109 West, 6th P.M. Section 11: SE/4NE/4 Sublette County, Wyoming
Unit Working Interest:	25.00%
Unit Net Revenue Interest:	20.50%

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

RECORDED Sept. 16 1998 M 3:30p
IN BOOK 108 016 PAGE 645
FEES $10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Socken

269318

ASSIGNMENT OF OVERRIDING ROYALTY

Anschutz Western Corporation, Suite 2400, 555 17th Street, Denver, Colorado 80202, hereinafter called Assignor, for and in consideration of the sum of Ten Dollars ($10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, sell, bargain, convey, transfer, assign and deliver unto the following named party the interest set out opposite his name, of all oil and/or gas produced, saved and sold from the oil and gas leasehold estates, with respect to the oil and gas leases and lands described on Exhibit "A" attached hereto and made a part hereof:

William J. Miller and Nancy Miller, as Joint Tenants with the Right of Survivorship
5233 West Capri Place
Littleton, CO 80123
an undivided .15 of 1% of 8/8ths

Dolly Family Limited Partnership
74 Fir Lane
Evergreen, CO 80439
an undivided .15 of 1% of 8/8ths

Dave Dlouhy
6128 S. Coventry Lane East
Littleton, CO 80123
an undivided .0875 of 1% of 8/8ths

C L Machinery Company
555 17th Street, Suite 2400
Denver, CO 80202
an undivided .5625 of 1% of 8/8ths

Piedmont Minerals Company
5838 S. Stanida Circle
Salt Lake City, UT 84121
an undivided .05 of 1% of 8/8ths

Hal B. Koerner, Jr. and Diane Lynn Koerner, as Joint Tenants with the Right of Survivorship
6811 Hillridge Place
Parker, CO 80134
an undivided .1 of 1% of 8/8ths

Gary Young
4511 Christensen Circle
Littleton, CO 80123
an undivided .15 of 1% of 8/8ths

Anschutz Exploration Corporation Royalty Pool
555 17th Street, Suite 2400
Denver, CO 80202
an undivided .75 of 1% of 8/8ths

The overriding royalty interest hereinabove assigned is subject to the following terms, provisions and conditions:

A. Said overriding royalty interest is subject to the terms and provisions of said leases described on Exhibit "A", and any amendments or modifications of said leases.

B. Said overriding royalty interest shall be free and clear of all drilling developing, operating costs and expenses except such costs, if any, incurred in dehydrating, treating, transporting, boosting, compressing or otherwise processing same in order to make same marketable, and same shall be calculated after deducting oil and gas used for operations on the premises, with the option on the part of Assignor to deduct the proportionate part of fuel used in any central plant serving the premises or of using other than the identical oil and gas produced for operations on the premises, and deducting any so used, but Assignee shall bear and pay all taxes of every nature whatever, which may now or hereafter be applicable to or in any manner connected with or a lien upon Assignee's overriding royalty interest or the production attributable thereto, including without limitation all production, severance, gathering, transportation or similar taxes attributable to Assignee's interest, and such other costs and charges as shall be applicable to and borne by lessor's royalties under the terms of the leases. If Assignor shall reinject gas produced under said leases or from land pooled therewith into injection wells situated on land covered by said Exhibit "A" leases or lands pooled therewith in connection with any recycling or pressure maintenance program, the quantity of gas produced under said leases or from land pooled therewith which is thus reinjected into said injection wells shall be deducted before the overriding royalties herein assigned are computed. No overriding royalties shall be payable upon gas and casinghead gas used for recycling or repressuring operations benefiting said lands. In the event the leases above described provide that shut-in gas payments shall be made as royalties rather than rentals, Assignee herein shall not be entitled to any payment with respect to said overriding royalty in connection with such payments. Except as may be otherwise provided in this assignment, the overriding royalty herein assigned shall be treated computed, paid and/or delivered to the Assignee in the same manner and under the same terms and conditions as are provided in each lease for the payment or delivery of royalties to the lessor therein.

C. The overriding royalty may be pooled and unitized in the same manner and under the same and identical terms, conditions and provisions as the lessor's royalties may be pooled and unitized under the terms of each lease above described.

D. The overriding royalty herein assigned is based upon the assumption that the leases described on Exhibit "A" cover and affect the entire fee simple mineral estate in the lands covered thereby. In the event of loss or failure of title as to the whole or any portion of the leased premises, the overriding royalty interest as to such lease and lands affected by such loss or failure of title shall be

reduced in the proportion in which title shall have failed, and in such event the overriding royalty interest herein assigned shall be proportionately reduced. If the lease described in Exhibit "A" attached hereto covers less than the entire and undivided fee simple estate therein, then and in such event the overriding royalty interest herein assigned shall be proportionately reduced.

E. No obligations, either expressed or implied, shall arise by reason of the assignment herein by Assignor of overriding royalty interest which shall obligate Assignor to keep, drill, produce, operate and maintain the said leases in force and effect either by the payment of rentals, compensatory royalties or other payments, or by the drilling of any wells upon the lands with respect which the overriding royalty interest in said leases is hereby assigned, it being expressly understood that Assignee is to receive said overriding royalty interest in such production only out of the oil, gas and other hydrocarbon substances and minerals, if, as and when produced, saved and marketed at the sole will of Assignor from said lands under the terms and provisions of each lease, and Assignor herein, his heirs, successors, assigns and/or legal representatives, may release said leases or any part thereof at will and without liability to Assignee, their heirs, successors, assigns and/or legal representatives.

F. The overriding royalty interest herein assigned shall be applicable to any renewal, extension or new lease taken or acquired by Assignor, its successors and assigns, within a period of six (6) months from date of the termination of any lease described in Exhibit "A" as to the land and minerals covered and affected by said new lease.

This Assignment is made without covenants of warranty, either expressed or implied but shall be binding upon and inure to the benefit of the heirs, representatives, successors and assigns of the parties hereto.

This instrument executed this 19th day of August, 1998, but effective for all purposes as of June 29, 1998.

ATTEST:

By: [illegible]
[illegible] S. Kaisrom
Assistant Secretary

ANSCHUTZ WESTERN CORPORATION

By: Nancy E. Holtz
Nancy E. Holtz
Assistant Vice President

ACKNOWLEDGMENT FOR CORPORATION

STATE OF COLORADO)
) SS.
COUNTY OF DENVER)

Before me, the undersigned authority, on this day personally appeared NANCY E. HOLTZ, Assistant Vice President of ANSCHUTZ WESTERN CORPORATION, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said company.

Given under my hand and seal of office this 19th day of August, 1998.

Denise Papoi
Denise Papoi, Notary Public

My commission expires: 4/29/00

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WHEN RECORDED, PLEASE RETURN TO
THE ANSCHUTZ CORPORATION
800 17TH STREET, SUITE 2400
DENVER, COLORADO 80202

ANSCHUTZ WESTERN CORPORATION
Jonah Prospect #2698
Page 1

LEASE SCHEDULE

EXHIBIT "A," STATE OF WYOMING COUNTY OF SUBLETTE

LEASE NUMBER WY-2698	LESSOR	LESSEE	DATE	TERM	DESCRIPTION	GROSS ACRES	NET ACRES
00001	USA-WYW-144999	Anschutz Corp.	8/1/97	10 years	T29N-R108W Section 1: Lots 1-3, SE¼NE¼	159.73	159.73

047

ASSIGNMENT OF OVERRIDING ROYALTY

Anschutz Western Corporation, Suite 2400, 555 17th Street, Denver, Colorado 80202, hereinafter called Assignor, for and in consideration of the sum of Ten Dollars ($10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, sell, bargain, convey, transfer, assign and deliver unto the following named party the interest set out opposite his name, of all oil and/or gas produced, saved and sold from the oil and gas leasehold estates, with respect to the oil and gas leases and lands described on Exhibit "A" attached hereto and made a part hereof:

Edward M. Warner
1512 Larimer, Suite 1000
Denver, Colorado 80202
an undivided .50 of 1% of 8/8ths

269319

RECORDED Sept. 16 1998 M 9:30a
IN BOOK 103 016 PAGE 648
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

The overriding royalty interest hereinabove assigned is subject to the following terms, provisions and conditions:

A. Said overriding royalty interest is subject to the terms and provisions of said leases described on Exhibit "A", and any amendments or modifications of said leases.

B. Said overriding royalty interest shall be free and clear of all drilling developing, operating costs and expenses except such costs, if any, incurred in dehydrating, treating, transporting, boosting, compressing or otherwise processing same in order to make same marketable, and same shall be calculated after deducting oil and gas used for operations on the premises, with the option on the part of Assignor to deduct the proportionate part of fuel used in any central plant serving the premises or of using other than the identical oil and gas produced for operations on the premises, and deducting any so used, but Assignee shall bear and pay all taxes of every nature whatever, which may now or hereafter be applicable to or in any manner connected with or a lien upon Assignee's overriding royalty interest or the production attributable thereto, including without limitation all production, severance, gathering, transportation or similar taxes attributable to Assignee's interest, and such other costs and charges as shall be applicable to and borne by lessor's royalties under the terms of the leases. If Assignor shall reinject gas produced under said leases or from land pooled therewith into injection wells situated on land covered by said Exhibit "A" leases or lands pooled therewith in connection with any recycling or pressure maintenance program, the quantity of gas produced under said leases or from land pooled therewith which is thus reinjected into said injection wells shall be deducted before the overriding royalties herein assigned are computed. No overriding royalties shall be payable upon gas and casinghead gas used for recycling or repressuring operations benefiting said lands. In the event the leases above described provide that shut-in gas payments shall be made as royalties rather than rentals, Assignee herein shall not be entitled to any payment with respect to said overriding royalty in connection with such payments. Except as may be otherwise provided in this assignment, the overriding royalty herein assigned shall be treated computed, paid and/or delivered to the Assignee in the same manner and under the same terms and conditions as are provided in each lease for the payment or delivery of royalties to the lessor therein.

C. The overriding royalty may be pooled and unitized in the same manner and under the same and identical terms, conditions and provisions as the lessor's royalties may be pooled and unitized under the terms of each lease above described.

D. The overriding royalty herein assigned is based upon the assumption that the leases described on Exhibit "A" cover and affect the entire fee simple mineral estate in the lands covered thereby. In the event of loss or failure of title as to the whole or any portion of the leased premises, the overriding royalty interest as to such lease and lands affected by such loss or failure of title shall be reduced in the proportion in which title shall have failed, and in such event the overriding royalty interest herein assigned shall be proportionately reduced. If the lease described in Exhibit "A" attached hereto covers less than the entire and undivided fee simple estate therein, then and in such event the overriding royalty interest herein assigned shall be proportionately reduced.

E. No obligations, either expressed or implied, shall arise by reason of the assignment herein by Assignor of overriding royalty interest which shall obligate Assignor to keep, drill, produce, operate and maintain the said leases in force and effect either by the payment of rentals, compensatory royalties or other payments, or by the drilling of any wells upon the lands with respect which the overriding royalty interest in said leases is hereby assigned, it being expressly understood that Assignee is to receive said overriding royalty interest in such production only out of the oil, gas and other hydrocarbon substances and minerals, if, as and when produced, saved and marketed at the sole will of Assignor from said lands under the terms and provisions of each lease, and Assignor herein, his heirs, successors, assigns and/or legal representatives, may release said leases or any part thereof at will and without liability to Assignee, their heirs, successors, assigns and/or legal representatives.

[redacted] [redacted] [redacted]

F. The overriding royalty interest herein assigned shall be applicable to any renewal, extension or new lease taken or acquired by Assignor, its successors and assigns, within a period of six (6) months from date of the termination of any lease described in Exhibit "A" as to the land and minerals covered and affected by said new lease.

This Assignment is made without covenants of warranty, either expressed or implied but shall be binding upon and inure to the benefit of the heirs, representatives, successors and assigns of the parties hereto.

This instrument executed this 19th day of August, 1998, but effective for all purposes as of June 29, 1998.

ATTEST:

[illegible] Kalstrom
Secretary

ANSCHUTZ WESTERN CORPORATION

By: Nancy E. Holtz
Nancy E. Holtz
Assistant Vice President

ACKNOWLEDGMENT FOR CORPORATION

STATE OF COLORADO)
) SS.
COUNTY OF DENVER)

Before me, the undersigned authority, on this day personally appeared NANCY E. HOLTZ, Assistant Vice President of ANSCHUTZ WESTERN CORPORATION, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said company.

Given under my hand and seal of office this 19th day of August, 1998.

SHARY PUBLIC STATE OF COLORADO

Denise Papoi, Notary Public

My commission expires: 4/29/00

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WHEN RECORDED, PLEASE RETURN TO
THE ANSCHUTZ CORPORATION
555 17TH STREET, SUITE 2400
DENVER, COLORADO 80202

ANSCHUTZ WESTERN CORPORATION
Jonah Prospect #2698
Page 1

LEASE SCHEDULE

EXHIBIT "A," STATE OF WYOMING COUNTY OF SUBLETTE

LEASE NUMBER WY-2698	LESSOR	LESSEE	DATE	TERM	DESCRIPTION	GROSS ACRES	NET ACRES
00001	USA-WYW-144999	Anschutz Corp.	8/1/97	10 years	T29N-R108W Section 1: Lots 1-3, SE¼NE¼	159.73	159.73

650

[redacted] [redacted] [redacted]

Form 39—Burkhart Printing & Stationery Co., Tulsa, Okla.

(For Filing Only)

ASSIGNMENT OF OVER-RIDING ROYALTY

KNOW ALL MEN BY THESE PRESENTS:

That Thomas Halagan

hereinafter called Assignor (whether one or more) for and in consideration of the

sum of _____ Dollars ($_____)

cash in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, do es hereby grant, bargain, sell, convey, transfer, assign and deliver unto Thomas Halagan, Trustee of the Thomas Halagan 1998 Revocable Trust UDT 6/23/98, hereinafter called Assignee (whether one or more) an over-riding royalty in the amount of ~~one-sixteenth~~ assignor's undivided interest in and to all of the oil, gas and other minerals in and under and that may be produced from the following described lands situate in Sublette County, State of Wyoming, to-wit:

Thomas Halagan (Payee#049062R)
Federal Oil & Gas Lease USA W-42791
Township 28 North, Range 114 West
Section 5: Lots 7, 8 and 12
Section 21: NSNW, SENW, NESW
Sublette County, Wyoming
Fogarty Creek Unit Fourth Revision Frontier Participating Area B
Fogarty Creek Prospect
0075117-000

269355

RECORDED Sept. 21, 1998 1:25 PM
IN BOOK 108 016 PAGE 651
FEES $6.00
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorter

During the term of the present valid and subsisting oil and gas lease thereon, free and clear of any and all expenses of any nature whatsoever, except State and Federal Taxes.

TO HAVE AND TO HOLD The above described property and easement with all and singular the rights, privileges, and appurtenances thereunto or in any wise belonging to the said Assignee herein its heirs, successors, personal representatives, administrators, executors, and assigns forever.

WITNESS my hand this 15th day of September, 1998

CHRISTINE K. BANKS
COMM. #1109832
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
FRESNO COUNTY
My Commission Exp. Aug. 16, 2000

Thomas Halagan
THOMAS HALAGAN

STATE OF CALIFORNIA
County of FRESNO } ss.

(ACKNOWLEDGMENT FOR INDIVIDUAL)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 15th day of September, 1998, personally appeared THOMAS HALAGAN, proved to me on the basis of satisfactory evidence and to be the person who subscribed to the within instrument ~~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 notarial seal the day and year above written.

Christine K. Banks
Notary Public

My commission expires August 16, 2000

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 the day and year above written.

_____
Notary Public

My commission expires _____

651

ASSIGNMENT AND BILL OF SALE

STATE OF WYOMING §
§
COUNTY OF SUBLETTE §

WHEREAS, heretofore Robert S. Tatum owned certain undivided mineral, royalty and/or oil and gas leasehold interests situated in Sublette County, Wyoming.

WHEREAS, Robert S. Tatum wishes to assign all his mineral, royalty and oil and gas leasehold interests to Robert S. Tatum, Trustee of The Tatum Living Trust dated December 10, 1996.

NOW, THEREFORE, Robert S. Tatum (hereinafter called "ASSIGNOR"), for and in consideration of the sum of Ten Dollars ($10) cash, in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby ***Grant, Bargain, Sell, Convey, Transfer and Deliver*** unto:

The Tatum Living Trust dated December 10, 1996
Robert S. Tatum, Trustee
c/o NationsBank of Texas, N.A., Agent
P.O. Box 2546
Fort Worth, TX 76113-2546

(hereinafter called "ASSIGNEE"), all of ASSIGNOR's right, title and interest in and to all of his mineral, royalty and oil and gas leasehold interests of whatsoever kind and nature including, but not limited to, any and all minerals, royalties, overriding royalties, nonparticipating royalty interests, leasehold interests, and any other right to production of oil, gas or other minerals produced from or located on lands situated in Sublette County, Wyoming including, but not limited to, the lands described on ***Exhibit "A"*** attached hereto, together with a like interest in all contracts, agreements, equipment and any other personal property of whatsoever kind and nature relating thereto.

It is the intent of ASSIGNOR to convey to ASSIGNEE any and all mineral, royalty and oil and gas leasehold interests of whatsoever kind and nature held by ASSIGNOR in Sublette County, Wyoming.

THE INTEREST IN THE PERSONAL PROPERTY CONVEYED HEREIN IS SOLD "AS IS, WHERE IS" AND ASSIGNOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY OR FITNESS FOR USE FOR A PARTICULAR PURPOSE.

As to any interests in real property conveyed herein, this conveyance is made without warranty, express or implied, but with the right of subrogation to any prior warranties.

This conveyance is subject to any and all matters of record in Sublette County, Wyoming, including any oil and gas leases insofar as they are effective and cover the interests conveyed herein.

EXECUTED as of the acknowledgment date herein, but EFFECTIVE the 10th day of December, 1996.

ASSIGNOR: Robert S. Tatum
ROBERT S. TATUM

STATE OF TEXAS
COUNTY OF CAMERON

This instrument was acknowledged before me this 25th day of ~~July~~ Aug., 1998, by ROBERT S. TATUM.

Manuela L. Roux
Notary Public, State of Texas

After Recording: Please Return To:
Charlotte H. Parker, Legal Assistant
Beckham, Rector & Eargle, L.L.P.
500 Throckmorton St., Suite 1104
Fort Worth, TX 76102-3709
(817) 348-9922; FAX 348-9924
D:\DOCUME~1\NBOT\TATUM\DEEDS\SUBLETTE

MANUELA L. ROUX
Notary Public, State of Tex
My Commission Expire:
MAY 8, 1999

269363

RECORDED Sept. 21 19 98 3:40 PM
IN BOOK 108 O+G PAGE 652
FEES $8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Sorter

EXHIBIT "A"

Working Interest in the following described lands:

Mesa Unit, Tract No. 19:

Township 32 North, Range 109 West, 6th P.M.

Sec. 14: NE/4 NW/4, NE/4 SE/4

Sec. 24: NE/4 NW/4

Mesa Unit, Tract No. 20:

Township 32 North, Range 109 West, 6th P.M.

Sec. 3: Lot 3, SE/4 NW/4, NE/4 SW/4

Township 32 North, Range 109 West, 6th P.M.

Sec. 3: SW/4 NE/4, W/2 SE/4

Township 33 North, Range 109 West, 6th P.M.

Sec. 27: SE/4 SE/4

D:\DOCUME~1\NBOT\TATUM\SUBLETTE.EX

ASSIGNMENT OF OVERRIDING ROYALTY
AFFECTING UNITED STATES OIL AND GAS LINES

KNOWN ALL MEN BY THESE PRESENTS THAT Jean E. Loseke, individually, assignor, does hereby convey, transfer, assign and deliver without warranty, either expressed or implied an overriding royalty unto the following party in the amounts shown:

JEAN E. LOSEKE, as Trustee of the Jean E. Loseke Trust U/A/D April 7, 1994

Being in all a total of an undivided 100% of assignors interest in an overriding royalty in 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 following designated oil and gas leases and any extension or renewal thereof, to-wit:

DO #0841447, Jory Hill 1-29 Frontier Tr 5.
SW/4 SW/4 and NE/4 NW/4 Section 12-T27N – R 114W, 6th P.M.

Dated: 9/16/98

Jean E. Loseke
Jean E. Loseke, individually, and as
Trustee of The Jean E. Loseke Trust,
U/A/D April 7, 1994

STATE OF ILLINOIS)
) SS.
COUNTY OF CHAMPAIGN)

On September 16, 1998 before me, Mary A. Perlstein, notary public, personally appeared Jean E. Loseke, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity and that by her signature on the instrument the person, or the entity upon behalf of which she acted, executed the instrument.

WITNESS my name and official seal.

Mary A Perlstein
Notary Public

OFFICIAL SEAL
MARY A PERLSTEIN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/11/99

269390

Kad\c\\Mary a. moss\mary\MAP\Loseke\Assign of Lease -2 91498.doc

RECORDED Sept. 24, 1998 8:45AM
IN BOOK 108 Ot6 PAGE 654
FEES $8.00 M L Lloyd COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Lacton

QUALIFICATIONS OF ASSIGNEE OF OVERRIDING ROYALTY
UNDER UNITED STATES OIL AND GAS LEASES

The assignee requests approval of assignment of royalty and certifies as follows:

1. Assignee is 21 years of age or over, and is a citizen of the United States:

   ___X___ Native Born

2. Assignee is a corporation or other legal entity, (kind)

   Revocable trust

3. Assignee's interest, direct or indirect, does not exceed 246,080 chargeable acres in options and leases and offers to lease in the same state.

4. Assignee is the sole party in interest in this statement.

5. The undersigned agrees that the obligation to pay the overriding royalties or payments our of oil or production created herein, which , when added to overriding royalties or payments out of production previously created and to the royalty payable to the United Stated, aggregate in excess of 17 ½ % shall be suspended when the average production of oil per well per day averaged on a monthly basis is 15 barrels or less.

6. Amount remitted: $25.00 Filing Fee: $25.00

It is hereby certified that the statements made herein are true, complete and correct to the best of the undersigned's knowledge and belief.

Executed this 16th day of September, 1998.

ASSIGNEE

Jean E. Loseke

Jean E. Loseke, individually, and as
Trustee of the Jean E. Loseke Trust U/A/D
April 7, 1994

Address:

Jean E. Loseke
4008 B Farmington Drive
Champaign, Illinois 61821

Kad\c\\Mary a. moss\mary\MAP\Loseke\Assign of Lease -2 91498.doc

6656

RELEASE OF MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF PROCEEDS AND FINANCING STATEMENT

269391

RECORDED Sept 04 1998 9:15 AM
IN BOOK 108 O+G 6656
FEES $8.00
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

STATE OF WYOMING)
)
COUNTY OF SUBLETTE)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, ULTRA RESOURCES, INC., (herein called "Mortgagor") to secure the indebtedness recited therein has heretofore executed and delivered to JOHN C. WALTER, as Trustee, and WESTERN GAS RESOURCES, INC., as "Secured Party", that certain Mortgage, Deed of Trust and Security Agreement, Assignment of Proceeds and Financing Statement dated as of November 4, 1997, covering the lands described on Exhibit A, attached thereto, and which was recorded in the real estate records of Sublette County, Wyoming on November 12, 1997, in Book 69 Mtg, Page 556; as amended by that certain First Amendment, Modification and Supplement to Mortgage, Deed of Trust, Security Agreement, Assignment of Proceeds and Financing Statement dated as of January 27, 1998, and as further amended by that certain Second Amendment, Modification and Supplement to Mortgage, Deed of Trust, Security Agreement, Assignment of Proceeds and Financing Statement dated as of February 25, 1998, and as further amended by that certain Third Amendment, Modification and Supplement to Mortgage, Deed of Trust, Security Agreement, Assignment of Proceeds and Financing Statement dated as of March 31, 1998, and as further amended by that certain Fourth Amendment, Modification and Supplement to Mortgage, Deed of Trust, Security Agreement, Assignment of Proceeds and Financing Statement dated as of May 6, 1998, and as further amended by that certain Fifth Amendment, Modification and Supplement to Mortgage, Deed of Trust, Security Agreement, Assignment of Proceeds and Financing Statement dated as of May 29, 1998 (the foregoing instruments being collectively referred to as the "Mortgage"); and

WHEREAS, the indebtedness and other obligations under the Mortgage have been paid and discharged.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Secured Party has this day released, discharged and reassigned, and hereby releases, discharges and reassigns unto Mortgagor and their assignees all right, title and interest in and to all properties encumbered by the Mortgage, and the lien created thereby, in which the Secured Party may have any interest or to which it may be entitled by virtue of the Mortgage, and does hereby declare the all such properties fully released, discharged and reassigned from any and all liens, security interests and assignments created by virtue of the Mortgage

and from any and all other liens, security interests and assignments, legal and equitable, held by the Secured Party covering and affecting those properties.

Executed as of the 17th day of ~~July~~ August, 1998.

WESTERN GAS RESOURCES, INC.

By: _____
Edward A. Aabak, Senior Vice President-Operations

TRUSTEE:

_____
John C. Walter

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

The foregoing instrument was acknowledged and subscribed to before me this 17th day of ~~July~~ August, 1998, by Edward A. Aabak as the Senior Vice President-Operations of WESTERN GAS RESOURCES, INC., on behalf of the corporation.

Witness my Hand and Official Seal.

My Commission expires: 09-16-2000.

_____
Notary Public-Rosalyne I. Condos

NOTARY PUBLIC ROSALYNE L CONDOS STATE OF COLORADO

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

The foregoing instrument was acknowledged and subscribed to before me this 17th day of ~~July~~ August, 1998, by JOHN C. WALTER as the Trustee.

Witness my Hand and Official Seal.

My Commission expires: 09-16-2000.

_____
Notary Public-Rosalyne I. Condos

NOTARY PUBLIC ROSALYNE I. CONDOS STATE OF COLORADO

C:\files\wpdocs\relse.doc

ASSIGNMENT
OF OIL AND GAS LEASE

STATE OF)
) ss.
COUNTY OF)

This instrument was filed for record on the____ day of_____, 199____, at _____ o'clock _____ M., and duly recorded in Book _____, Page _____ of the Records of this office.

_____
Register of Deeds.

When recorded
Return to _____

_____

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned ULTRA PETROLEUM CORP., 609 Hastings Street, Suite 1100, Vancouver, B.C., Canada V6B4W4, (hereinafter called Assignor), for and in consideration of One Dollar ($1.00) the receipt whereof is hereby acknowledged, does hereby assign, transfer and set over unto ULTRA RESOURCES, INC., 304 Inverness Way South, Suite 295, Englewood, CO 80112 (hereinafter called Assignee), ALL OF ASSIGNOR'S RIGHT, TITLE AND INTEREST in and to the oil and gas lease dated October 3, 1994, from Paul C. Hagenstein and Bette Ann Hagenstein, husband and wife, and as tenants in common, Lessor, to Dual Resources, Inc., Lessee, recorded in book 100, page 576 of the records of Sublette County, State of Wyoming, and covering the following described lands in said County and State:

<u>Township 33 North, Range 109 West, of the 6th P.M.</u>
Section 14: W/2SE/4, E/2SW/4
Section 22: NE/4
Section 23: N/2, and that part of the E/2SE/4 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" x 6" 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/2SE/4; thence North 00°04' East, 1765.0 feet along the said west line to the northwest corner of the said E/2SE/4; thence south 89°59' East, 1318.7 feet along the north line of the said E/2SE/4 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 RLS 164"; 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: SW/4

and containing 873.81 acres more or less, together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used in connection therewith.

And for the same consideration the Assignor covenants with the Assignee, its or his heirs, successors or assigns; That the Assignor is the lawful owner of and has good title to the interest above assigned in and to said lease, estate, rights and property, free and clear from all liens. encumbrances or adverse claims; That said lease is a valid and subsisting lease on the "and above described, and all rentals and royalties due thereunder have been paid and all conditions necessary to keep the same in full force have been duly performed; and that the Assignor surrenders and releases all rights of dower and homestead in the premises above described.

EXECUTED, this 5th day of January 1998, without warranties of any kind.

ATTEST: ULTRA PETROLEUM CORP.

_____ Charlotte Kauffman

(TITLE) _____ (TITLE) General Counsel

State of Wyoming)
) ss.
County of Uinta)

ACKNOWLEDGMENT (For use by Corporation)

On this 5th day of January, 1998, before me personally appeared Charlotte Kauffman, to me personally known, who, being by me duly sworn, did say that (s)he is the General Counsel of Ultra Petroleum Corp. and that this instrument was signed in behalf of said corporation by the authority of its Board of Directors and said Charlotte Kauffman acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this 5th day of January, 1998.

269392

Cheri L. Kais
NOTARY PUBLIC

My commission expires: 10/2/01

RECORDED Sept 24 1998 9:15AM
IN BOOK 108 016 PAGE 658 WY-1089
FEES $16.00 M L Lyon COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Saxton

NWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 21st day of August, 19 98

by and between

Lois T. Zebre, as Trustee of the Michael B. Arambel Trust,

of 2032 Prairie Avenue, Rock Springs, WY 82901, hereinafter called lessor (whether one or more) and

McMurry Oil Company

of P.O. Box 220, Casper, WY 82602-0220, hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more-- ($10.00+) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE

State of WYOMING, described as follows, to wit:

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

269395

RECORDED Sept 24 1998 at 10:00 A
IN BOOK 108 Lease PAGE 659
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Linda Lee Lange

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6th). L.T.Z.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 21st day of August, 1999, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Two Hundred Forty and No/100 ($240.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as oil or gas production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Compliance with any new or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

_____ (SEAL)
_____ (SEAL)
_____ (SEAL)
_____ (SEAL)

(X) _____ (SEAL)
Lois T. Zebre, as Trustee of the Michael B. (SEAL)
Arambel Trust (SEAL)
T.P.I.D.#: 83-6017414 (SEAL)

STATE OF WYOMING }
COUNTY OF SWEETWATER } SS.

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st day of August, 1998, personally appeared Lois T. Zebre, as Trustee of the Michael B. Arambel Trust and _____, to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

JOYE ELLEN ALLEN - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES JANUARY 24, 1999

Joye Ellen Allen
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS.

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
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 _____ 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

OIL AND GAS LEASE

FROM

TO

Dated _____

Lot _____ Block _____ Addition _____, 19____

Section _____ Township _____ Range _____

County _____ Tract _____

No. of acres _____

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.

County Clerk—Register of Deeds.

By _____ Deputy.

When Recorded Return to:
MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____ }
COUNTY OF _____ } SS.

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires

_____
Notary Public

WWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 21st day of August, 19 98

by and between

Lois T. Zebre and John A. Zebre, wife and husband,

of 2032 Prairie Avenue, Rock Springs, WY 82901, hereinafter called lessor (whether one or more) and

McMurry Oil Company
of P.O. Box 220, Casper, WY 82602-0220, hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more-- ($10.00+) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE, State of WYOMING, described as follows, to wit:

10:00A
RECORDED Sept 24 1998 M
IN BOOK 108 of 46 PAGE 661
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Barbara Page

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

269396

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6th). L.T.Z. J.A.Z.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 21st day of August, 19 99, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Two Hundred Forty and No/100 ($240.00)-- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as [redacted] continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty for the privilege of delaying rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or courtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

_____ (SEAL)
_____ (SEAL)
_____ (SEAL)
_____ (SEAL)

(X) _____ (SEAL)
Lois T. Zebre SSN: 520-34-7676
(X) _____ (SEAL)
John A. Zebre SSN: 520-50-9519

STATE OF WYOMING } SS.
COUNTY OF SWEETWATER

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st day of August, 1998, personally appeared Lois T. Zebre and John A. Zebre, 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 executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

JOYCE ELLEN ALLEN - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES JANUARY 24, 1999

Joyce Ellen Allen
Notary Public

STATE OF _____ } SS.
COUNTY OF _____

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
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 _____ 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

OIL AND GAS LEASE

FROM

TO

Dated _____

Lot _____ Block _____ Addition _____, 19____

Section _____ Township _____ Range _____

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.

County Clerk—Register of Deeds.

By _____
Deputy.

When Recorded
Return to: MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____ } SS.
COUNTY OF _____

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires

_____
Notary Public

WWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 26th day of August, 19 98

by and between

of Karl B. Kurtz, sole Trustee of the Isabell B. Kurtz September 8, 1983 Family Trust
3185 East Rivernest Drive, Boise, Idaho 83706-6917 hereinafter called lessor (whether one or more) and

of McMurry Oil Company
P.O. Box 220, Casper, WY 82602-0220 hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of Ten and more ($10.00) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE, State of WYOMING, described as follows, to wit:

SUBLETTE
RECORDED Sept 24 1998 10:20A M
IN BOOK 108 O & G PAGE 663
FEES $6.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Gladys Pape

269397

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one sixth" (1/6th). K.B.K. K.B.K.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 26th day of August, 19 99, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, WY 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of Two Hundred Forty and No/100 ($240.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and in the agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Compliance with any new or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

_____ (SEAL)	(X) Karl B. Kurtz (SEAL)
_____ (SEAL)	Karl B. Kurtz, sole Trustee of the Isabell B. (SEAL)
_____ (SEAL)	Kurtz September 8, 1983 Family Trust (SEAL)
_____ (SEAL)	Tax I.D. #82-6086068 (SEAL)
_____ (SEAL)	(SEAL)

STATE OF Idaho
COUNTY OF Ada } SS.

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 8th day of September, 19 98, personally appeared Karl B. Kurtz, sole Trustee of the Isabell B. Kurtz and September 8, 1983 Family Trust, to me known to be the identical person who described in and who executed the within and foregoing instrument of writing 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 hand and affixed my notarial seal the day and year last above written.

My Commission Expires 5/7/04 Martha C. Puett
Notary Public

STATE OF _____ } SS.
COUNTY OF _____

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____, to me known to be the identical person _____, and _____ described in and who executed the within and foregoing instrument of writing 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 hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____
Notary Public

OIL AND GAS LEASE

FROM

TO

Dated _____, 19____

Lot _____ Block _____ Addition

Section _____ Township _____ Range

County _____ Tera

No. of acres

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.

County Clerk—Register of Deeds.

By _____
Deputy.

When Recorded Return to: MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____ } SS.
COUNTY OF _____

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires _____

_____
Notary Public

NWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 21st day of August, 1998

by and between

Mary Ann Arambel, Joseph J. Arambel and Robert P. Arambel, as Successor Trustees of the Joseph A. Arambel Revocable Trust under Trust Agreement dated January 1, 1996,

of 1403 Yalecrest Drive, Rock Springs, WY 82901, hereinafter called lessor (whether one or more) and

McMurry Oil Company

of P.O. Box 220, Casper, WY 82602-0220, hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more-- ($10.00+) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE State of WYOMING, described as follows, to wit:

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

269398

RECORDED Sept 24 1998 M 10:00A
IN BOOK 108 PAGE 665
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Shelly Epx

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6th). MAA M.A.A. JJA J.J.A. RPA R.P.A.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 21st day of August, 1999, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Two Hundred Forty and No/100 ($240.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, thic lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Idole

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

(X) Mary Ann Arambel (SEAL)
Mary Ann Arambel, Successor Trustee (SEAL)
(X) Joseph J. Arambel (SEAL)
Joseph J. Arambel, Successor Trustee (SEAL)

(X) Robert P. Arambel (SEAL)
Robert P. Arambel, Successor Trustee (SEAL)
(SEAL)
T.P.I.D. #83-0204001 (SEAL)

STATE OF WYOMING } SS.
COUNTY OF SWEETWATER }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 3rd day of September, 19 98, personally appeared Mary Ann Arambel, Joseph J. Arambel and Robert P. Arambel, as Successor Trustees of the Joseph A. Arambel Revocable Trust under Trust**, 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 executed the same as their free and voluntary act and deed for the uses and purposes therein set forth. **Agreement dated January 1, 1996

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires Sept 26, 1999 Susanne Armstrong
Notary Public

SUSAN E. ARMSTRONG - NOTARY PUBLIC
COUNTY OF SWEETWATER
MY COMMISSION EXPIRES 9/26/99

STATE OF } SS.
COUNTY OF }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
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 ..... 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

OIL AND GAS LEASE

FROM

TO

Dated .....
Lot ..... Block .....
Section ..... Township .....
County ..... Range .....
No. of acres ..... Tract .....
Addition .....

STATE OF }
COUNTY OF } SS.

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

County Clerk—Register of Deeds.

By .....
Deputy.

When Recorded Return to:
MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

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

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this ..... day of ....., 19....., before me appeared .....
....., to me personally known, who, being by me duly sworn, did say that he is .....
President of ....., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires .....
Notary Public

[redacted] [redacted] [redacted]

NWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 26th day of August, 19 98

by and between

Robert Bunning and Mary D. Bunning, husband and wife
of 25 Cedar, Rock Springs, WY 82901 hereinafter called lessor (whether one or more) and

McMurry Oil Company
of P.O. Box 220, Casper, WY 82602-0220 hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of Ten and more ($10.00) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE State of WYOMING, described as follows, to wit:

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

269399

RECORDED Sept 24 1998 M 10:00A
IN BOOK 188 PAGE 667
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING
By Kate Page

Notwithstanding any provisions contained herein to the contrary, wherever "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6th).

R.B. R.B. M.D.B. M.D.B.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 26th day of August, 19 99, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of Two Hundred Forty and No/100 ($240.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

_____ (SEAL)
_____ (SEAL)
_____ (SEAL)
_____ (SEAL)

NOTARY PUBLIC
BEATRICE TURCATO
COUNTY OF SWEETWATER
STATE OF WYOMING
My Commission Expires Aug 13, 2001

(X) Robert Bunning (SEAL)
Robert Bunning SSN: 520-18-2571 (SEAL)
(X) Mary D. Bunning (SEAL)
Mary D. Bunning SSN: 520-[illegible]-2921 (SEAL)

STATE OF _____ } SS.
COUNTY OF Sweetwater }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 1st day of September, 19 98, personally appeared Robert Bunning and Mary D. Bunning, 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 executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires August 13, 2001

Beatrice Turcato
Notary Public

STATE OF _____ } SS.
COUNTY OF _____ }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
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 _____ 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

OIL AND GAS LEASE

FROM

TO

Dated _____

Lot ____ Block ____ Addition _____, 19____

Section ____ Township ____ Range ____

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.

County Clerk—Register of Deeds.

By _____ Deputy.

When Recorded Return to MINERAL LAND AND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____ } SS.
COUNTY OF _____ }

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this ____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires

_____
Notary Public

NWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 19th day of August, 19 98

by and between

Christian Bunning and Margaret F. Bunning, husband and wife
of 418 "B" Street, Rock Springs, WY 82901, hereinafter called lessor (whether one or more) and

McMurry Oil Company
of P.O. Box 220, Casper, WY 82602-0220 hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more ($10.00+) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE State of WYOMING, described as follows, to wit: 10:00A

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6TH P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

269400

RECORDED Sept 24 1998 M
IN BOOK 108 Ø4Ø PAGE 669
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By: Kate Page

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6th). C.B. C.B. M.F.B.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 19th day of August, 19 99, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Two Hundred Forty and No/100 ($240.00)----------DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

_____ (SEAL)	(X) Christian Bunning (SEAL)
_____ (SEAL)	Christian Bunning SSN: 520-16-8052 (SEAL)
_____ (SEAL)	(X) Margaret F. Bunning (SEAL)
_____ (SEAL)	Margaret F. Bunning SSN: 520-07-0415 (SEAL)

STATE OF WYOMING } SS.
COUNTY OF SWEETWATER }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 10th day of September, 19 98, personally appeared Christian Bunning and Margaret F. Bunning, 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 executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires May 10, 2000

MARLENE KIRSCH - NOTARY PUBLIC
COUNTY OF SWEETWATER
STATE OF WYOMING
MY COMMISSION EXPIRES MAY 10, 2000

Marlene Kirsch
Marlene Kirsch Notary Public

STATE OF _____ } SS.
COUNTY OF _____ }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
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 _____ 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

OIL AND GAS LEASE

FROM

TO

Dated _____, 19____

Lot _____ Block _____ Addition

Section _____ Township _____ Range

County _____ Tract

No. of acres _____

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.

County Clerk—Register of Deeds.

By _____ Deputy.

When Recorded Return to:
MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____ } SS.
COUNTY OF _____ }

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires _____

_____ *Notary Public*

[redacted] [redacted] [redacted]

FORM 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 18th day of August, 1998

by and between Esther G. Cheesman, f.k.a. Esther G. Bunning, individually and as Trustee of the John T. Bunning Jr. Family Trust under trust agreement dated October 17th, 1979,

of 12765 Abra Dr., San Diego, CA 92128, hereinafter called lessor (whether one or more) and

of McMurry Oil Company P.O. Box 220, Casper, WY 82602-0220, hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more ($10.00+)---------- DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE State of WYOMING, described as follows, to wit:

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW1/4SW1/4
Section 28: NW1/4SE1/4
Section 34: NW1/4NW1/4, S1/2NW1/4, NW1/4SE1/4

269401

RECORDED Sept 24 1998 M 10:00A
IN BOOK 108 O&G PAGE 671
FEES $ 10.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Kate Page

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6). E.G.C. E.G.C.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 18th day of August, 1999, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the Grossmont Bank Bank at 11717 Bernardo Plaza Ct., San Diego, CA 92128 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Two Hundred Forty and No/100 ($240.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

_____ (SEAL)
_____ (SEAL)
_____ (SEAL)
_____ (SEAL)

(X) Esther G. Cheesman (SEAL)
Esther G. Cheesman, f.k.a. Esther G. Bunning, individually and as Trustee of the John T. Bunning Jr. Family Trust under trust agreement dated October 17, 1979 (SEAL)

STATE OF CALIFORNIA
COUNTY OF San Diego } SS.

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

T.P.I.D.#:83-6031994

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 1998, personally appeared Esther G. Cheesman, f.k.a. Esther G. Bunning and * * * * * * * * * * * * * * * * * *, to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Notary Public

STATE OF _____
COUNTY OF _____ } SS.

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
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 _____ 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

OIL AND GAS LEASE

FROM

TO

Dated _____

Lot _____ Block _____ Addition _____

Section _____ Township _____ Range _____

County _____ Term _____

No. of acres _____

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.

County Clerk—Register of Deeds.

By _____ Deputy.

When Recorded Return to:
MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____
COUNTY OF _____ } SS.

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires

_____

Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

On August 28, 1998 (Date) before me, Cheryl L Hollenbeck, Notary Public (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))

personally appeared Esther Cheesman (Name(s) of Signer(s))

☐ personally known to me – **OR** – ☒ 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.

CHERYL L. HOLLENBECK
Commission # 1189189
Notary Public - California
San Diego County
My Comm. Expires Jul 5, 2002

C Cheryl L Hollenbeck
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: ~~August 19, 1998~~ August 18, 1998 Number of Pages: 2 (front & back)

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

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:

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:

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674

NWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 20th day of August, 1998
by and between

Mary L. Arambel, Trustee of the Mary L. Arambel Revocable Trust dated May 12, 1993,
of 227 "H" Street, Rock Springs, WY 82901, hereinafter called lessor (whether one or more) and

McMurry Oil Company
of P.O. Box 220, Casper, WY 82602-0220, hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more-- ($10.00+) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE State of WYOMING, described as follows, to wit:

TOWNSHIP 27 NORTH-RANGE 107 WEST, 6th P.M.
Section 8: NW/4SW/4

269402

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction is changed to read "one-sixth" (1/6th). 7/1/98 M.L.A.

RECORDED 7/24/98 10:00 A
IN BOOK 108 OR PAGE 674
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, WYOMING

and containing 40.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 20th day of August, 1999, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Forty and No/100 ($40.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

[redacted] [redacted] [redacted]

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, [illegible] orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees [illegible] though unsigned by other lessors named herein.

JESSICA YEAGER - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES 6-8-02

IN WITNESS WHEREOF, We sign the day and year first above written.

Jessica Yeager

.....(SEAL)	(X) Mary L. Arambel, Trustee .....(SEAL)
.....(SEAL)	Mary L. Arambel, Trustee of the Mary L. .....(SEAL)
.....(SEAL)	Arambel Revocable Trust dated May 12, 1993 .....(SEAL)
.....(SEAL)	SSN: 520-20-3677 .....(SEAL)

STATE OF WYOMING } SS.
COUNTY OF SWEETWATER }

Arizona, Colorado, Idaho, Kansas, Montana Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25th day of August, 1998, personally appeared Mary L. Arambel, Trustee of the Mary L. Arambel Revocable Trust dated May 12, 1993, to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires .....

.....
Notary Public

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

Arizona, Colorado, Idaho, Kansas, Montana Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this .....day of .....19....., personally appeared ....., to me known to be the identical person ..... and ..... described in and who executed the within and foregoing instrument of writing 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 hand and affixed my notarial seal the day and year last above written.

My Commission Expires .....

.....
Notary Public

OIL AND GAS LEASE

FROM

TO

Dated .....

Lot ..... Block ..... Addition .....

Section ..... Township ..... Range .....

County .....

No. of acres ..... Term ..... , 19....

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.

County Clerk—Register of Deeds.

By ..... Deputy.

When Recorded Return to:
MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

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

Arizona, New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this .....day of ....., 19....., before me appeared .....
....., to me personally known, who, being by me duly sworn, did say that he is .....
President of ....., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires

.....
Notary Public

676

NWE 88 (1)

OIL AND GAS LEASE

AGREEMENT, Made and entered into this 20th day of August, 19 98
by and between

Mary L. Arambel, Trustee of the Mary L. Arambel Revocable Trust dated May 12, 1993,
of 227 "H" Street, Rock Springs, WY 82901, hereinafter called lessor (whether one or more) and

McMurry Oil Company
of P.O. Box 220, Casper, WY 82602-0220, hereinafter called lessee:

WITNESSETH, That the said lessor, for and in consideration of --Ten and more-- ($10.00+) DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, its successors and assigns for the sole and only purposes of surveying by geological, geophysical and all other methods, mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situate in the County of SUBLETTE State of WYOMING, described as follows, to wit:

TOWNSHIP 27 NORTH-RANGE 106 WEST, 6th P.M.
Section 27: SW/4SW/4
Section 28: NW/4SE/4
Section 34: NW/4NW/4, S/2NW/4, NW/4SE/4

269403

RECORDED 2 of 24 1998 M 10:00 A
IN BOOK 108 044 PAGE 676
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING

Notwithstanding any provisions contained herein to the contrary, wherever the fraction "one-eighth" (1/8th) appears on the face of this lease, said fraction shall be changed to read "one-sixth" (1/6th). 11:24 M.L.A.

and containing 240.00 acres, more or less. It is agreed that this lease shall remain in force for a term of four (4) years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee, its successors and assigns.

In consideration of the premises the said lessee covenants and agrees:

First. The lessee shall deliver to the credit of lessor as royalty, free of cost in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises, or, at lessee's option, may buy or sell such one-eighth royalty and pay lessor the market price for oil of like grade and gravity prevailing in the field on the day such oil is run into pipe lines or into storage tanks.

Second. To pay lessor one-eighth (⅛) of the proceeds received for gas sold from each well where gas only is found, or the market value at the well of such gas used off the premises.

Third. To pay lessor one-eighth (⅛) of the market value at the well for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas.

If no well be commenced on said land on or before the 20th day of August, 19 99, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the North-Side State Bank at Rock Springs, Wyoming 82901 or its successor or successors, or any bank with which it may be merged, or consolidated, or which succeeds to its business or assets or any part thereof, by purchase or otherwise, which shall continue as the depository regardless of changes in the ownership of the said land, the sum of --Two Hundred Forty and No/100 ($240.00)---------- DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for twelve 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. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred. Rentals may be paid by check or draft and may be remitted by mail. Mailing of rental on or before the rental-paying date shall be deemed a timely tender thereof and shall preclude termination of this lease. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs, devisees, executors and administrators of such person.

Should any well drilled on the land above described be a dry hole or cease to produce and there are no other producing well or wells on the land or drilling operations are not being conducted thereon, then and in that event if a well is not commenced before the next ensuing rental-paying date after the expiration of ninety (90) days from the date of such dry hole or cessation of production, this lease shall terminate as to both parties, unless the lessee, on or before the rental-paying date next ensuing after the expiration of ninety (90) days from the date of the completion of the dry hole or cessation of production, shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided, and it is agreed 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 as though there had been no interruption in the rental payment. If a dry hole should be drilled or if production ceases at any time subsequent to ninety (90) days prior to the beginning of the last year of the primary term, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, after the expiration of the primary term hereof, production shall cease from any cause, this lease shall not terminate if lessee resumes operations for the drilling of a well or restoration of production within ninety (90) days from such cessation, and this lease shall remain in force and effect during the prosecution of such operations and, if production results therefrom, then as long thereafter as such production continues.

If at any time, either before or after the expiration of the primary term of this lease, there is any gas well on the lands covered hereby, or on other lands with which said lands are pooled or unitized, which is capable of producing in paying quantities, but which is shut-in either before or after production therefrom, and the production therefrom is not being sold or used, lessee agrees to pay or tender to the mineral owners in the depository bank named in the lease, as royalty, a sum equal to the amount of delay rentals payable under this lease. Such payments shall be made on or before the shut-in royalty payment date, as herein defined, next accruing after the expiration of ninety (90) days from the date the well was shut-in, unless prior to such date gas from the well is produced and sold or used. In like manner, on or before each succeeding shut-in royalty payment date while such gas well remains shut-in, lessee shall make payment of shut-in gas royalty in the same amount and manner. A shut-in gas well capable of producing in paying quantities shall be considered under all provisions of this lease as a producing well and this lease shall be in force and effect in like manner as though the gas therefrom were actually being produced and sold or used. The term "gas well" shall include wells capable of producing natural gas, condensate, distillate, or any gaseous substance, and wells classified as gas wells by any governmental authority. The term "shut-in royalty payment date" shall mean any rental-paying date of this lease if within the primary term, or any subsequent anniversary thereof, if after the primary term, or any anniversary date of this lease if no rental-paying date is specified herein.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which his interest bears to the whole and undivided fee. However, such rentals shall be increased at the next succeeding rental anniversary after lessee has been notified of any reversion having occurred to cover the interest so acquired.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells and reservoirs 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.

Lessee shall pay for damages caused by its operations on said lands. When requested by the lessor, lessee shall bury his pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee is hereby granted the right and power to pool or combine the acreage covered by this lease, or any portion thereof, with other land, lease or leases in the vicinity thereof at any time and from time to time, whether before or after production, when in Lessee's judgment it is necessary or advisable to do so for the prevention of waste and the conservation and greatest ultimate recovery of oil or gas. Such pooling shall be into a unit or units not exceeding in area the acreage prescribed or required in any Federal or State law, order, rule or regulation for the drilling or operation of one well, or for obtaining the maximum allowable production from one well, or 80 acres each for the production of oil, or 640 acres each for the production of gas, whichever is the larger, plus a tolerance over the maximum area of 80 acres for the production of oil or 640 acres for the production of gas to include additional acreage in any irregular governmental subdivision or lot or portion thereof. Such pooling shall be effected by Lessee's executing and filing in the office where this lease is recorded an instrument identifying and describing the pooled acreage. The production of pooled substances and development and operation on any portion of a unit so pooled, including the commencement, drilling, completion and operation of a well thereon, shall be considered and construed, and shall have the same effect, except for the payment of royalty, as production, development and operation on the leased premises under the terms of this lease. The royalties herein provided shall accrue and be paid to Lessor on pooled substances produced from any unit in the proportion, but only in the proportion, that Lessor's acreage interest in the land covered hereby and placed in the unit bears to the total acreage in the land placed in such unit.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a certified copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands which the said lessee or any assignee thereof shall make due payment of said rentals. An assignment of this lease, in whole or in part, shall as to the extent of such assignment relieve and discharge the lessee of all obligations hereunder.

[redacted] [redacted] [redacted]

Compliance with any now or hereafter existing act, bill or statute purporting to be enacted by any Federal or State legislative authority, or with orders, judgments, decrees, rules, regulations made or promulgated by State or Federal courts, State or Federal offices, boards, commissions or committees purporting to be made under authority of any such act, bill or statute, shall not constitute a violation of any of the terms of this lease or be considered a breach of any clause, obligation, covenant, undertaking, condition or stipulation contained herein, nor shall it be or constitute a cause for the termination, forfeiture, reversion or revesting of any estate or interest herein and hereby created and set out, nor shall any such compliance confer any right of entry or become the basis of any action for damages or suit for the forfeiture or cancellation hereof; and while any such purport to be in force and effect they shall, when complied with by lessee or assigns, to the extent of such compliance operate as modifications of the terms and conditions of this lease where inconsistent therewith.

Lessee shall have the right to drill to completion with reasonable diligence and dispatch (1) any well commenced within the term of this lease and (2) any well commenced before the completion of a well which has been commenced within such term. If oil and gas or either of them be found in paying quantities in any such well, this lease shall continue and be in force with like effect as if such well had been completed within the term of years herein first mentioned.

Lessee may at any time surrender this lease, in whole or in part, by delivering or mailing a release to the lessor, or by placing a release of record in the proper county. In the event of a partial release, the annual delay rental above mentioned shall be reduced proportionately.

Lessor hereby releases and relinquishes any right of homestead, dower or curtesy they or either of them may have in or to the leased land.

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 mortgage, 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.

This lease and all its terms, conditions and stipulations binds each executing lessor and shall extend to and be binding on his assigns, heirs and devisees and successors, and those of the lessee, though unsigned by other lessors named herein.

IN WITNESS WHEREOF, We sign the day and year first above written.

JESSICA YEAGER - NOTARY PUBLIC
COUNTY OF SWEETWATER STATE OF WYOMING
MY COMMISSION EXPIRES 6-8-02

_____ (SEAL)
_____ (SEAL)
_____ (SEAL)
_____ (SEAL)

(X) Mary L. Arambel, Trustee (SEAL)
Mary L. Arambel, Trustee of the Mary L. (SEAL)
Arambel Revocable Trust dated May 12, 1993 (SEAL)
SSN: 520-20-3677 (SEAL)

STATE OF WYOMING } SS.
COUNTY OF SWEETWATER }

Jessica Yeager

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 25th day of August, 19 98, personally appeared Mary L. Arambel, Trustee of the Mary L. Arambel Revocable Trust dated May 12, 1993, to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public

STATE OF _____ } SS.
COUNTY OF _____ }

Arizona, Colorado, Idaho, Kansas, Montana
Nebraska, Nevada, New Mexico, North Dakota,
South Dakota, Utah, Wyoming
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____ day of _____, 19____, personally appeared _____, to me known to be the identical person _____ and _____ described in and who executed the within and foregoing instrument of writing 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 hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

_____
Notary Public

OIL AND GAS LEASE

FROM

TO

Dated _____

Lot _____ Block _____ Addition _____

Section _____ Township _____ Range _____

County _____ Tem _____

No. of acres _____

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.

County Clerk—Register of Deeds.

By _____ Deputy.

When Recorded Return to:
MINERAL LAND SERVICES
P.O. Box 1223
Glenwood Springs, CO 81602

STATE OF _____ } SS.
COUNTY OF _____ }

[illegible] New Mexico, Utah, Wyoming
ACKNOWLEDGMENT — CORPORATION

On this ____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is _____ President of _____, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; 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 official seal the day and year last above written.

My Commission Expires _____

_____
Notary Public

678

RECORDED 9/28/1998 AT 09:00 AM REC# 1270436 BK# 0981 PG# 1968
LORETTA BAILIFF, CLERK of SWEETWATER COUNTY, WY Page 1 of 2

LEASE NO.:
PARCEL NO.: 573 98-00407
FUND: C.S.

Form Approved by the Board
and Effective January 6, 1998

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**:

Contex Energy Company

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, to wit:

640.00	**All**	**Section 16, Twp. 27 N., Rg. 109 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.

Section 7. SOVEREIGN IMMUNITY. The State of Wyoming and the lessor do not waive sovereign immunity by entering into this lease, and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyoming Statute 1-39-104 (a)and all other state laws.

IN WITNESS WHEREOF, this lease has been executed by LESSOR and LESSEE to become effective on the 2nd day of July, 1998 A.D.

LESSOR, STATE OF WYOMING, Acting by and through its Board of Land Commissioners.

By: _____
Director
Office of State Lands and Investments

LESSEE: _____
Gary Butler, President, Contex Energy Company

Address: 1645 Court Place, Suite 212

City: Denver State: CO Zip: 80202

Telephone No. (303) 623-3444

269425

RECORDED Sept. 25 1998 10:50 M
IN BOOK 108 016 PAGE 678
FEES $ 8.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Seaton

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 natural production 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 State Loan and Investments 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 Board and State Loan and Investment 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 becoming due prior to the effective date of 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.

HS RESOURCES, INC.
1999 BROADWAY
SUITE 3600
DENVER, CO 80202

RECORDED 8/28/1998 AT 09:00 AM REC# 1270436 BK# 0901 PG# 1969
LORETTA BAILIFF, CLERK of SWEETWATER COUNTY, WY Page 2 of 2

N. PINEDALE PROS.
WY-0121-01

RATIFICATION & RENTAL DIVISION ORDER OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS:

That, WHEREAS, Heretofore under date of the 24th day of September, 1994, that certain oil and gas lease was made, executed, and delivered by **Marion K. Cole, a married woman dealing in her sole and separate property,** as Lessor, to H. P. McLish, 1675 Broadway, Suite 2400, Denver, CO 80202, as Lessee, covering the following described lands in Sublette County, State of Wyoming, to-wit:

Township 33 North, Range 109 West, 6th P.M.
Section 6: Lot 2(39.84)
Township 34 North - Range 109 West, 6th P.M.
Section 31: NESW, SE
Section 32: SW

said lease being recorded in Book___ ___at Page_____of the records in the office of the Register of Deeds in and for said County, reference to said lease and to the record thereof being hereby made for all purposes.

NOW, THEREFORE, In consideration of the sum of One Dollar ($1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, we, the undersigned, and each for himself and herself, as the case may be, do hereby ratify, adopt and confirm the hereinabove-described oil and gas lease in all of its terms and provisions and do hereby lease, demise and let said land and premises unto the said lessee hereinabove named, its assigns and successors in interest, as fully and completely as if we had originally been named as lessor in said lease and had executed, acknowledged and delivered the same; provided, however, that this instrument shall cover and bind all interest of the undersigned which may have been acquired subsequent to the date of the aforesaid oil and gas lease and is intended further to cover and bind any interest which undersigned may hereafter acquire by way of reversion or otherwise.

We hereby agree and declare that said oil and gas lease in all of its terms and provisions is binding on us and each of us and is a valid and subsisting oil and gas lease and that this instrument shall be binding upon the respective heirs, executors, administrators, successors or assigns of the undersigned.

We hereby agree and declare that all monies paid by the above named lessee to the above named lessor has fulfilled the requirements and will act the same as if the undersigned had received and distributed the same; that all of the delay rentals necessary to extend said lease to the next rental paying date have been duly made; and 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	DEPOSITORY BANK	AMOUNT
Marion S. Cole, Trustee of the Marion S. Cole Revocable Trust, dated September 19, 1997	Northwest Credit Union P.O. box 58900 Salt Lake City, UT 84158-0900	$66.64

EXECUTED This 19 day of August, 1998

Marion S. Cole Revocable Trust, dated September 19, 1997

X Marion S Cole - Trustee
Marion S. Cole - Trustee

269426

RECORDED Sept. 25 98 10:50 A M
IN BOOK 108 016 PAGE 680
FEES $8.00
COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Cathy Sueton

[redacted] [redacted] [redacted]

ACKNOWLEDGEMENT

STATE OF Wyoming)
) SS
COUNTY OF Sublette)

On the 19th day of August, 1998, personally appeared before me Marion S. Cole, Trustee of the Marion S. Cole Revocable Trust dated September 19, 1997, to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

BARBARA HENRY
Notary Public
State of Wyoming
My Commission Expires

My Commission Expires: 10/12/2001

Barbara Henry
Notary Public

MSC-R&RDO

682

AMENDMENT OF COMMUNITIZATION AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF COMMUNITIZATION AGREEMENT WYW-141457
SUBLETTE COUNTY, WYOMING

98 SEP -9 AM 9:43

THIS AGREEMENT, entered into as of the 15th day of May, 1998 by and between the parties subscribing, ratifying or consenting hereto and herein referred to as the "parties hereto"

WITNESSETH:

WHEREAS, the parties hereto are the owners of working, royalty or other oil and gas interests in the communitized area subject to Communitization Agreement WYW-141457, Sublette County, Wyoming, dated April 7, 1997, and approved effective February 1, 1997, and

WHEREAS, Section 1 of the said communitization agreement provides for the communitization of 160.00 acres of land to include only the Bear River Formation underlying such land and the natural gas and associated liquid hydrocarbons producible from such formation, and

WHEREAS, Enron Oil & Gas Company, as Communitization Agreement Operator, has recompleted the communitized well, Figure Four Canyon 4-12, which is capable of production from both the Bear River and Frontier formations and, therefore, the parties hereto desire to operate and produce both formations under one communitization agreement given the common spacing for the two formations and the intent to commingle production from the two formations into a single wellbore.

NOW THEREFORE, in consideration of the premises, the parties hereto do hereby agree to amend Section 1 of the Communitization Agreement to read 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

Containing 160.00 acres, more or less, and this agreement shall include only the Bear River and Frontier formations underlying said lands and the natural gas and associated liquid hydrocarbons hereinafter referred to as "communitized substances", producible from such formations. This agreement shall apply separately to the Bear River and Frontier formations in the same manner as though a separate agreement for each formation has been entered into.

Except as herein amended, the said Communitization Agreement shall remain in full force and effect pursuant to its terms.

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

269424

RECORDED Sept. 25, 1998 11:25A
IN BOOK 108 Pct 6 PAGE 682
FEES $ 50.00 M L Lloyd COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Lester

[redacted] [redacted] [redacted]

This amendment agreement shall become effective and binding upon each party executing the same as of September 1, 1997.

This agreement shall be binding upon the parties hereto and their respective successors and assigns.

ENRON OIL & GAS COMPANY

By: _____
Andrew C. Morris
Agent and Attorney-in-Fact

WORKING INTEREST OWNERS:

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

By: N/A

Title: _____

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By: _____

Title: _____

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STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Betty A. Herrold
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 1st day of June, 1998, by ELMER L. HERBALY

WITNESS my hand and official seal.

My Commission Expires:

8-26-98

Leanna M. Howell
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

[redacted] [redacted] [redacted]

This amendment agreement shall become effective and binding upon each party executing the same as of September 1, 1997.

This agreement shall be binding upon the parties hereto and their respective successors and assigns.

ENRON OIL & GAS COMPANY

By: _____
Andrew C. Morris
Agent and Attorney-in-Fact

WORKING INTEREST OWNERS:

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

By: N/A

Title: _____

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By: _____
DAGG E. KELM
PRESIDENT, DAKEL OPERATING CO.
GENERAL PARTNER

m:\cdrive\pf\052098a.doc

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Betty A. Herrold
Notary Public

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

The foregoing instrument was acknowledged before me this 8th day of June, 1998, by David E. Kelly

WITNESS my hand and official seal.

My Commission Expires:

at death

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

[redacted] [redacted] [redacted]

OVERRIDING ROYALTY OWNERS:

Ross Miller

Gary Bond

Jone Wilson

J. William Barnett

Elza Eversole Living Trust, Lois M. Eversole, Trustee

Energetics Royalty Corporation

Patricia Ann Bradley

By: _____

Leonard Hay

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

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

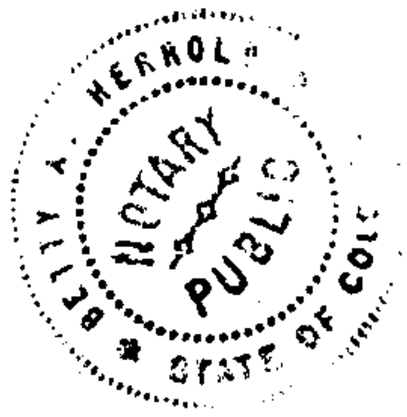
The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Notary Public



STATE OF Kentucky)
) ss.
COUNTY OF Ballard)

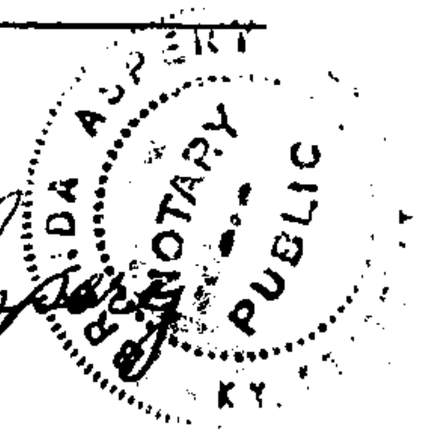
The foregoing instrument was acknowledged before me this 1 day of June, 1998, by Ross Miller

WITNESS my hand and official seal.

My Commission Expires:

8-6-99

Brenda Asper
Notary Public



STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

[redacted] [redacted] [redacted]

WORKING INTEREST OWNERS:

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

By: N/A

Title: _____

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By: _____

Title: _____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
Jone Wilson

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

_____
Patricia Ann Bradley

U.S. Bank National Association, 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.

U.S. Bank National Association, Successor Trustee under the Will of Louis A. Walstrom, Jr. Anne J. Mitchell Trust

_____
Shawn C. Heringer, Assistant Vice President

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

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690

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Notary Public

STATE OF California)
) ss.
COUNTY OF San Diego)

The foregoing instrument was acknowledged before me this 7th day of July, 1998, by Jane Wilson

WITNESS my hand and official seal.

My Commission Expires:

Jan. 15, 2001

Notary Public

NASRIN ROSTAMI
COMM. #1122536
NOTARY PUBLIC-CALIFORNIA
SAN DIEGO COUNTY
My Commission Expires
JANUARY 15, 2001

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, 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 _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

[redacted] [redacted] [redacted]

OVERRIDING ROYALTY OWNERS:

Ross Miller

Gary Bond

Jone Wilson

Elza Eversole

Lois M. Eversole

Elza Eversole Living Trust, Lois M. Eversole, Trustee

J. William Barnett

Energetics Royalty Corporation

By: _____

Patricia Ann Bradley

Leonard Hay

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

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herfold
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 1st day of June, 1998, by Lois M. 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 COMMISSION EXPIRES JULY 11, 1998

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____
Notary Public

WORKING INTEREST OWNERS:

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

By: N/A

Title: _____

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By: _____

Title: _____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
Jone Wilson

_____
Elza Eversole Living Trust, Lois M. Eversole, Trustee
Patricia Ann Bradley

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

U.S. Bank National Association, 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.

U.S. Bank National Association, Successor Trustee under the Will of Louis A. Walstrom, Jr. Anne J. Mitchell Trust

_____
Shawn C. Heringer, Assistant Vice President

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STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Notary Public

STATE OF Colorado)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 15th day of June, 1998, by Patricia Ann Bradley

WITNESS my hand and official seal.

My Commission Expires:

My Commission expires Nov. 29, 1998

Margaret Morsett
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, 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 _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

[redacted] [redacted] [redacted]

WORKING INTEREST OWNERS:

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

By: N/A

Title:_____

ELMER L. HERBALY

_____

GCIL III, LIMITED PARTNERSHIP

By:_____

Title:_____

OVERRIDING ROYALTY OWNERS:

_____
Ross Miller

_____
Jone Wilson

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

_____
Patricia Ann Bradley

_____
Gary Bond

_____
J. William Barnett

Energetics Royalty Corporation

By: _____

_____
Leonard Hay

U.S. Bank National Association, 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.

U.S. Bank National Association, Successor Trustee under the Will of Louis A. Walstrom, Jr. Anne J. Mitchell Trust

_____
Shawn C. Heringer, Assistant Vice President

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STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 17th day of June, 1998, by Shawn C. Heringer, Assistant Vice President of U.S. Bank, N.A.

WITNESS my hand and official seal.

My Commission Expires:

6-6-99

Kyle L. McDonald
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, 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 _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____
Notary Public

[redacted] [redacted] [redacted]

OVERRIDING ROYALTY OWNERS:

Ross Miller

Gary Bond

Jone Wilson

J. William Barnett

Elza Eversole Living Trust, Lois M. Eversole, Trustee

Energetics Royalty Corporation

Patricia Ann Bradley

By: _____

Leonard Hay

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

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Betty A. Herrold
Notary Public

STATE OF Colorado)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 6th day of July, 1998, by GARY BOND

WITNESS my hand and official seal.

My Commission Expires:

5/10/99

Notary Public
Linda J Robinson

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

OVERRIDING ROYALTY OWNERS:

Ross Miller

Jone Wilson

Elza Eversole Living Trust, Lois M. Eversole, Trustee

Patricia Ann Bradley

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

Gary Bond

J. William Barnett

Energetics Royalty Corporation

By: _____

Leonard Hay

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Betty A. Herrold
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 4th day of June, 1998, by JOHN WILLIAM BARNETT

WITNESS my hand and official seal.

My Commission Expires:

May 6th 2000

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

OVERRIDING ROYALTY OWNERS:

Ross Miller

Gary Bond

Jone Wilson

J. William Barnett

Elza Eversole Living Trust, Lois M. Eversole, Trustee

Energetics Royalty Corporation

By: Jordan R. Smith

Patricia Ann Bradley

Leonard Hay

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

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Notary Public

STATE OF Colorado)
) ss.
City of COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 11th day of June, 1998, by Jordan R. Smith as President of Energetics Royalty Corp

WITNESS my hand and official seal.

My Commission Expires:

12/13/99

Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

OVERRIDING ROYALTY OWNERS:

Ross Miller

Gary Bond

Jone Wilson

J. William Barnett

Elza Eversole Living Trust, Lois M. Eversole, Trustee

Energetics Royalty Corporation

By: _____

Patricia Ann Bradley

Leonard Hay

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

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of May, 1998, by Andrew C. Morris as Agent and Attorney-in-Fact of Enron Oil & Gas Company.

WITNESS my hand and official seal.

My Commission Expires:

7-26-98

Betty A. Herrold
Notary Public

STATE OF Wyoming)
) ss.
COUNTY OF Sweetwater)

The foregoing instrument was acknowledged before me this 1st day of June, 1998, by Leonard Haly

WITNESS my hand and official seal.

My Commission Expires:

3-5-99

FLORA A. HALTER - NOTARY PUBLIC
County of Sweetwater State of Wyoming
My Commission Expires March 5, 1999

Notary Public Flora A. Halter

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 1998, by _____

WITNESS my hand and official seal.

My Commission Expires:

_____

Notary Public

269433 315P

ASSIGNMENT AND BILL OF SALE

RECORDED Sept 25 1998 M
IN BOOK 108046 PAGE 705
FEES $12.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE, WYOMING
By Tracey L Hoover

KNOW ALL MEN BY THESE PRESENTS, THAT:

YATES PETROLEUM CORPORATION, a New Mexico corporation, 105 South Fourth Street, Artesia, New Mexico 88210, hereinafter referred to as "YPC" or "Assignor", for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, convey, assign and transfer, without warranties or covenants of title, either express or implied, to CROWN OIL & GAS COMPANY, INC., 152 Calpet Road, PO Box 519, Big Piney, Wyoming 83113, hereinafter referred to as "Assignee" or "Buyer", all of Assignor's right, title and interest in the well and to the Oil and Gas Leases described in EXHIBIT A, attached hereto and made a part hereof, **INSOFAR AND ONLY INSOFAR as these** Oil and Gas Leases cover the lands and wells described in EXHIBIT A and all associated material and equipment thereon (hereinafter referred to as the "Subject Property").

It is understood and agreed that this Assignment and Bill of Sale shall be subject to the following terms and conditions:

1. Assignee hereby acknowledges that it has inspected the Subject Property, and accepts the same **"AS IS"** and **"WHERE IS"** and that Assignor makes **NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE QUALITY, CONDITION OR SERVICEABILITY OF SAID WELLS AND EQUIPMENT.**

2. This Assignment and Bill of Sale is subject to all valid contracts, agreements or orders pertaining to the Subject Property.

3. Assignee agrees to properly plug and abandon all wells located on the Subject Property at no expense to Assignor in accordance with applicable law.

4. Assignor shall retain all claims and causes of action it may have against third parties relating to the Subject Property and arising prior to the Effective Time, and Assignor shall be entitled to any proceeds attributable thereto.

5. In the event YPC reserves any interests in any properties subject to this Assignment and Bill of Sale, YPC shall also reserve concurrent interests in any and all applicable easements, rights-of-way, rights of ingress and egress, contracts, or other rights relating to the reserved interests.

6. A. Spills and NORM - Buyer acknowledges that there may have been spills of wastes, crude oil, produced water or other materials in the past onto the Property or in connection with the Interests. In addition, some oil field production equipment may contain asbestos and/or Naturally Occurring Radioactive Material (hereinafter referred to as "NORM"). In this regard Buyer expressly understands that NORM may affix or attach itself to the inside of wells, materials, and equipment as scale, or in other forms, and that said wells, materials, and equipment located on the Property or included in the Interests described herein may contain NORM and that NORM-containing material may be buried or otherwise disposed of on the Property. Buyer also expressly understands that special procedures may be required for the remediation, removal, transportation, and disposal of asbestos and NORM from the Interests and Property where it may be found and that Buyer assumes all liability for or in connection with assessment, remediation, removal, transportation, and disposal of any such materials and associated activities in accordance with all rules, regulations, and requirements of governmental agencies.

B. Sale "As Is", "Where Is" - BUYER UNDERSTANDS AND AGREES THAT THIS SALE IS MADE ON AN "AS IS, WHERE IS" BASIS AND BUYER RELEASES YPC FROM ANY LIABILITY WITH RESPECT THERETO WHETHER OR NOT CAUSED BY OR ATTRIBUTABLE TO YPC'S NEGLIGENCE AND WHETHER OR NOT ARISING FROM OR IN CONNECTION WITH OR DURING THE PERIOD OF YPC'S OWNERSHIP OF THE INTERESTS OR USE OF THE PROPERTY. WITHOUT LIMITING THE ABOVE, BUYER WAIVES ITS RIGHT TO RECOVER FROM ASSIGNOR AND FOREVER RELEASES AND DISCHARGES YPC FROM ANY AND ALL DAMAGES, CLAIMS, LOSSES, LIABILITIES, PENALTIES, FINES, LIENS, JUDGMENTS COSTS, AND EXPENSES WHATSOEVER, (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES AND COSTS), WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE ON ACCOUNT OF OR IN ANY WAY BE CONNECTED WITH THE PHYSICAL

CONDITION OF THE PREMISES OR ANY LAW OR REGULATION APPLICABLE THERETO, INCLUDING, WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED (42 U.S.C. §§ 9601 et. seq.), THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976 (42 U.S.C. § 6901 et. seq.), THE CLEAN WATER ACT (33 U.S.C. §§ 466 et. seq.), THE SAFE DRINKING WATER ACT (14 U.S.C. §§ 1401 - 1450), THE HAZARDOUS MATERIALS TRANSPORTATION ACT (49 U.S.C. §§ 1801 et. seq.), THE TOXIC SUBSTANCE CONTROL ACT (15 U.S.C. §§ 2601-2629) and all applicable State Laws.

C. Disposal of Materials, Substances and Wastes - Buyer shall handle, transport, and dispose of and/or discharge any material, substance, or waste from the Interests and Property (including but not limited to produced water, drilling fluids and other associated wastes), whether present before or after the Effective Date, in accordance with applicable local, state and federal laws and regulations. To the extent that the Property is not sold in fee to Buyer, Buyer shall keep records of the types, amounts and location of materials, substances, and wastes which are transported, handled, discharged, released or disposed onsite and offsite. When and if any lease, an interest in which has been assigned pursuant to this Agreement, is terminated, Buyer shall take whatever additional testing, assessment, closure, reporting or remedial action with respect to the Interests and Property that is necessary to meet any local, state or federal requirements directed at protecting human health and the environment in effect at that time and are necessary to restore the surface of the Property.

D. Indemnity - Buyer, its successors and assigns, hereby agree to indemnify and defend YPC, its successors and assigns, from and against all damages, losses, claims, demands, and causes of action (including but not limited to any civil fines, penalties, expenses, costs of clean-up, and plugging liabilities for any and all wells) brought by any and all persons, (including, but not limited to) Buyer's and YPC's employees, agents, or representatives and also any private citizens, persons, organizations, and any agency, branch or representative of federal, state or local government, on account of any personal injury or death or damage, destruction, loss of property, or contamination of natural resource (including soil, surface water or ground water) resulting from, arising out of any liability caused by, or connected with any environmental condition of the Interests or Property on or before the Effective Time, including but not limited to, presence, disposal or release of any material of any kind in, on or under the Interests, the Property, or other affected property, or at any time caused by or connected with acts or omissions of Buyer, its employees, representatives, or agents with regard to its use, ownership, or operatorship or the Interests or Property. Buyer's indemnification shall extend to and include (i) the negligence of YPC, Buyer, and parties acting on behalf of Buyer, whether such negligence is active or passive, joint, sole or concurrent, and (ii) YPC's strict liability. This indemnification shall be in addition to any other indemnity provisions contained in this Agreement, and it is expressly understood and agreed that any terms of this Article shall control over any conflicting or contradicting terms or provisions contained in this Agreement.

7. It is the intention and agreement of Assignor and Assignee hereunder that the provisions of this Assignment and Bill of Sale be severable. Should the whole, or any portion of a section or paragraph, be judicially held to be void or invalid, such holding shall not affect other portions which can be given effect without the invalid or void portion.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever the Subject Property and all right and obligations pertaining thereto. This Assignment and Bill of Sale is made WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED.

ASSIGNEE:

CROWN OIL & GAS COMPANY, INC.

By: _____

Title: President

Date: 9/25/98

ASSIGNOR:

YATES PETROLEUM CORPORATION

By: _____

Title: Attorney-in-Fact

Date: 9-21-98

[redacted] [redacted] [redacted]

IN WITNESS WHEREOF, this Assignment and Bill of Sale is effective as of September 1, 1998, at 7:00 A.M. local time where the Subject Property is located ("Effective Time").

ACKNOWLEDGMENTS

STATE OF NEW MEXICO §
§
COUNTY OF EDDY §

The foregoing instrument was acknowledged before me this 21st day of September 1998, by Peyton Yates, Attorney-in-Fact for Yates Petroleum Corporation, a New Mexico corporation, on behalf of said corporation.

Barbara Nelson
Notary Public

My commission expires:

7-18-2000

STATE OF §
§
COUNTY OF §

The foregoing instrument was acknowledged before me this 25th day of September 1998, by Daniel G. Nehr, as President of Crown Oil & Gas Company, Inc., a Wyoming corporation, on behalf of said corporation.

Melanie M Strong
Notary Public

My commission expires:

8/15/2001

MELANIE M. STRONG - NOTARY PUBLIC
COUNTY OF SUBLETTE STATE OF WYOMING
MY COMMISSION EXPIRES 8/15/2001

707

EXHIBIT "A"

Attached to and made a part of Assignment and Bill of Sale from Yates Petroleum Corporation to Crown Oil & Gas Company, L.L.C.

Well: Split River Fee #24-35
Township 28 North, Range 112 West
Section 35: SW/4
Sublette County, Wyoming

1.) Oil and Gas Lease dated March 17, 1981, from Viola Waters, a widow, as Lessor, to Edward J. Ackman, as Lessee, recorded in book 61 of O & G, Page 508, of the records of Sublette County, Wyoming as ratified by instrument dated June 13, 1981, recorded in Book 62 of O & G, Page 95, and as amended by Modification of Lease Description dated September 1, 1983, recorded in Book 69 of O & G, Page 334, insofar only as said lease, as amended and ratified, covers the following lands:

Township 28 North, Range 112 West, 6th P.M.
Section 35: Lots 7, 10, 11 and the bed of the Green River riparian thereto, insofar as said lands lie within the SW/4 of Section 35, Township 28 North, Range 112 West, being the spacing unit for the Split River Fee No. 24-35 well.

Township 28 North, Range 112 West, 6th P.M.
Section 35: Lot 6 and the bed of the Green River riparian thereto.

Township 27 North, Range 112 West, 6th P.M.
Section 2: Lot 4 and the bed of the Green River riparian thereto.

INSOFAR AND ONLY INSOFAR as said lease covers rights from the surface of the earth down to the depth of 9,132 feet as encountered in the Diamond Shamrock Split River Fee No. 24-35 well, located in the SW/4 of Section 35, Township 28 North, Range 112 West, Sublette County, Wyoming.

2.) Oil and Gas Lease dated December 17, 1981, from Yose Cattle Company, a Wyoming corporation, as Lessor, to Belco Petroleum Corporation, as Lessee, recorded in Book 64 of O & G, Page 76, of the records of Sublette County, Wyoming, insofar only as said lease covers the following lands:

Township 28 North, Range 112 West, 6th P.M.
Section 35: Lot 8 (35.13 acres) and NW/4SE/4 including all accretion and/or riparian rights pertaining thereto, Sublette County, Wyoming.

INSOFAR AND ONLY INSOFAR as said lease covers rights from the surface of the earth down to the stratigraphic equivalent of 9,132 feet as defined in the Diamond Shamrock Split River Fee No. 24-35 well, located in the SW/4 of Section 35, Township 28 North, Range 112 West, Sublette County, Wyoming.

3.) W-012953A
Township 28 North, Range 112 West, 6th P.M.
Section 35: Lot 9
Containing 13.19 acres, more or less
Sublette County, Wyoming

This Assignment is limited in depth from the surface of the earth to the stratigraphic equivalent of 9,132 feet as found in the Diamond Shamrock Split River Fee No. 24-35 Well, located in the SW/4 of Section 35, Township 28 North, Range 112 West, Sublette County, Wyoming.

This Assignment is subject to the terms and conditions of that certain Farmout Option Agreement, and Operating Agreement, both dated April 10, 1983, as amended, by and between Belco Development Corporation and Diamond Shamrock Corporation. Said Agreements, among other things, provide that Belco Development Corporation at payout of the Diamond Shamrock Split River Fee No. 24-35 Well, described above, shall have the option of converting the overriding royalty interest retained herein to a proportionate 50% working interest in and to said well.

[redacted] [redacted] [redacted]

FORM 2800-14
(August 1985)

Issuing Office
Green River Resource Area

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

SERIAL NUMBER WYW138567

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1. A right-of-way is hereby granted pursuant to section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185).

269448

RECORDED Sept. 28, 1978 10:35AM
IN BOOK 108 Misc PAGE 709
FEES $26.00 COUNTY CLERK
SUBLETTE COUNTY, PINEDALE WYOMING
By Cathy Scoton

2. Nature of Interest:

a. By this instrument, the holder:

Mountain Gas Resources, Inc.
12200 North Pecos Street
Denver, Colorado 80234

receives a right to construct, operate, maintain, and terminate a(n) 16 inch steel natural gas pipeline, on public lands described as follows:

Sixth Principal Meridian, Sweetwater County, Wyoming

T. 24 N., R. 111 W.
Section 3, SW¼SW¼
Section 4, Lots 6, 11, 13, 14, E½SE¼
Section 10, N½NW¼, SE¼NW¼, E½SW¼, SW¼SE¼
Section 14, S½NW¼, NE¼SW¼, W½SE¼
Section 15, N½NE¼, SE¼NE¼

T. 25 N., R. 111 W.
Section 3, Lot 4, SW¼NW¼, W½SW¼, SE¼SW¼
Section 4, Lot 1
Section 10, E½NW¼, E½SW¼
Section 15, E½NW¼, E½SW¼
Section 22, SW¼NE¼, E½NW¼, W½SE¼, SE¼SE¼
Section 26, W½NW¼, N½SW¼, SE¼SW¼
Section 27, NE¼NE¼
Section 35, E½NW¼, E½SW¼

T. 26 N., R. 111 W.
Section 3, Lots 3 and 4, S½NW¼, NW¼SW¼
Section 4, E½SE¼
Section 9, N½NE¼, SW¼NE¼, SE¼NW¼, E½SW¼
Section 16, E½NW¼, NE¼SW¼, W½SE¼, SE¼SE¼
Section 21, W½NE¼, W½SE¼
Section 28, W½NE¼, W½SE¼
Section 33, W½NE¼, N½SE¼, SE¼SE¼

Sixth Principal Meridian, Sublette County, Wyoming

T. 27 N., R. 111 W.
Section 34, Lot 1, E½NW¼, N½SW¼

b. The right-of-way or permit area granted herein is 50 feet wide, 92,598.03 feet long and contains 106.29 acres, more or less.

c. This instrument shall terminate 30 years from its effective date, unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of the renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2800.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 90 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

c. The stipulations, plans, maps, or designs set forth in Exhibit(s) A and B, dated May 1, 1996, attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

d. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

e. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

f. The holder shall contact the authorized officer at least FIVE days prior to the anticipated start of construction and/or any surface disturbing activities. The authorized officer may require and schedule a preconstruction conference with the holder prior to the holder's commencing construction and/or surface disturbing activities on the right-of-way. The holder and/or his representative shall attend this conference. The holder's contractor, or agents involved with construction and/or any surface disturbing activities associated with the right-of-way, shall also attend this conference to review the stipulations of the grant including the plan(s) of development.

g. The holder shall construct, operate, and maintain the facilities, improvements, and structures within this right-of-way in strict conformity with the plan(s) of development which was (were) approved and made part of the grant on 7-31-96. Any relocation, additional construction, or use that is not in accord with the approved plan(s) of development, shall not be initiated without the prior written approval of the authorized officer. A copy of the complete right-of-way grant, including all stipulations and approved plan(s) of development, shall be made available on the right-of-way area during construction, operation, and termination to the authorized officer. Noncompliance with the above will be grounds for an immediate temporary suspension of activities if it constitutes a threat to public health and safety or the environment.

h. The holder shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the authorized officer. The holder's representative shall be available for communication with the authorized officer within a reasonable time when construction or other surface disturbing activities are underway.

i. Any cultural and/or paleontological resource (historic of prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

j. Use of pesticides shall comply with the applicable Federal and state laws. Pesticides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, the holder shall obtain from the authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of storage and disposal of containers, and any other information deemed necessary by the authorized officer. Emergency use of pesticides shall be approved in writing by the authorized officer prior to such use.

k. The holder shall be responsible for weed control on disturbed areas within the limits of the right-of-way. The holder is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods (within limits imposed in the grant stipulations).

l. The holder shall protect all survey monuments found within the right-of-way. Survey monuments include, but are not limited to, General Land Office and Bureau of Land Management Cadastral Survey Corners, reference corners, witness points, U.S. Coastal and Geodetic benchmarks and triangulation stations, military control monuments, and recognizable civil (both public and private) survey monuments. In the event of obliteration or disturbance of any of the above, the holder shall immediately report the incident, in writing, to the authorized office and the respective installing authority if known. Where General Land Office or Bureau of Land Management right-of-way monuments or references are obliterated during operations, the holder shall secure the services of a registered land surveyor or a Bureau cadastral surveyor to restore the disturbed monuments and reference using surveying procedures found in the Manual of Surveying Instructions for the Survey of the Public Lands in the United States, latest edition. The holder shall record such survey in the

appropriate county and send a copy to the authorized officer. If the Bureau cadastral surveyors or other Federal surveyors are used to restore the disturbed survey monument, the holder shall by responsible for the survey cost.

m. No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment or when watershed damage is likely to occur. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment. Frozen soil or soil mixed with snow will not be used in construction.

n. The holder shall meet Federal, State, and local emission standards for air quality.

o. Construction-related traffic shall be restricted to routes approved by the authorized officer. New access roads or cross-country vehicle travel will not be permitted unless prior written approval is given by the authorized officer. Authorized roads used by the holder shall be rehabilitated or maintained when construction activities are complete as approved by the authorized officer.

p. Prior to any discharge, hydrostatic testing water will be tested and processed, if necessary, to ensure that the water meets local, State or Federal water quality standards, Prior to discharge of hydrostatic testing water from the pipeline, the holder shall design and install a suitable energy dissipator at the outlets, and design and install suitable channel protection structures necessary to ensure that there will be no erosion or scouring of natural channels within the affecter watershed as a result of such discharge. Sandbags, rock, or other materials or objects installed shall be removed from the site upon completion of hydrostatic testing.

q. Prior to termination of the right-of-way, the holder shall contact the authorized officer to arrange a pretermination conference. This conference will be held to review the termination provisions of the grant.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

M. Sue Park
(Signature of Holder)

Sally A. Haverly
(Signature of Authorized Officer)

Landman
(Title)

Realty Specialist
(Title)

7-25-96
(Date)

July 29, 1996
(Effective Date of Grant)

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

PLAN OF DEVELOPMENT
TO ACCOMPANY
McMurry Pipeline Central Delivery Point (C.D.P.) Interconnect

APPLICATION

I. PROJECT DESCRIPTION

The proposed buried 16 inch steel pipeline will head in a northerly direction from Mountain's Blue Forest Compressor Station in the Northeast quarter of Section 10, Township 24 North, Range 111 West, Sweetwater County, Wyoming to the McMurry Pipeline Central Delivery Point in the Northwest quarter of Section 34, Township 27 North, Range 111 West, Sublette County, Wyoming.

The total length of the gas line is approximately 92,598.03 feet, of which 92,598.03 feet are on Federal lands. A 50 foot wide corridor is requested for construction, operational and maintenance purposes.

The pipeline will consist of a 16 inch steel pipe, with a maximum operating pressure of approximately 1,250 psig.

Associated facilities include valving and metering.

All permanent above ground facilities, piping, and valving will be a flat, non-contrasting color harmonious with the surrounding landscape. Present warehouse stock colors comprise of either Carlsbad Canyon (2.5Y 6/2) or Desert Brown (10 YR 6/3).

II. RECONNAISSANCE AND LOCATION

Reconnaissance reveals that the route selected was the most practical route in relation to the compressor location and the central delivery point pipeline.

No other alternatives were considered because the proposed route utilizes existing surface scars as much as possible.

II. ANCILLARY RIGHTS OF WAY AND PERMITS

Mountain Gas Resources, Inc. will secure all rights of way on adjacent non-federal lands prior to pipeline construction. Mountain Gas Resources, Inc. will notify authorized right of way users of Mountain Gas Resources, Inc.'s proposed pipeline crossings or overlaps on the grounds occupied by the affected right of way users.

Exhibit A

Any associated road and utility permits will be secured from the appropriate regulatory agency prior to construction.

All equipment and vehicular access into the pipeline project will be confined to existing roads and the established right of way corridor. No major reconstruction or rerouting of these roads is intended.

IV. DESIGN

The design, construction, engineering, maintenance and inspection of the proposed pipeline will be performed by Mountain Gas Resources, Inc. personnel.

V. CONSTRUCTION

All design, material, and construction, operation, maintenance, and termination practices shall be in accordance with safe and proven engineering practices.

Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and equipment.

A litter policing program shall be implemented by the holder, and approved of in writing by the authorized officer, which covers all roads and sites associated with the right of way.

Pipeline construction will commence when all permits and right of way documents have been secured.

Mountain Gas Resources, Inc. will notify the authorized officer 2 to 5 days in advance of starting any construction activities. All private surface landowners will be contacted prior to construction for access and surface usage.

Mountain Gas Resources, Inc. will not allow any construction or routine maintenance activities during periods when soil is too wet to adequately support construction equipment. If such equipment creates surface ruts in excess of 4 inches deep, Mountain Gas Resources, Inc. will deem that soil conditions are too wet to adequately support construction equipment. Construction activities will not be allowed until soil conditions improve.

Construction of the proposed pipeline will occur in a planned sequence of pipeline operations along the route. The construction period will last approximately 5 weeks.

[redacted] [redacted] [redacted]

All construction materials will be hauled to the job by truck, as needed, and strung along the right of way as it arrives. Pipe will be strung in such a manner as to cause the least interference with the normal use of the land crossed by the right of way.

In areas of excessively steep terrain, stream bank crossings and established work stations, some blading may be required to provide a safe and suitable working area for the equipment and workers.

Before seeding any disturbed areas (if applicable), the right of way will be restored to its original form, slope, contour, and soil density to the extent practicable. Stockpiled topsoil shall be the top layer and shall be evenly spread over the disturbed area.

The construction force is expected to number approximately six to eight persons at the peak of construction. No temporary work camps are proposed.

The following is a list of construction equipment proposed on the pipeline project:

a. 2 Welding Truck
b. 2 Tractor Trailer
c. 2 Two Ton Truck
d. 8 Pickup Trucks
e. 2 Seed Driller and Tractor (if applicable)
f. 2 Backhoe
g. 2 Trackhoe
h. 2 Side Boom Caterpillar
I. 2 Trenchers

After pipeline construction is completed, pipeline markers will be installed at specified intervals for identifying the pipe's location.

Prior to any discharge, hydrostatic testing water will be tested and processed, if necessary, to ensure that the water meets local, State or Federal water quality standards. Prior to discharge of hydrostatic testing water from the pipeline, the holder shall design and install a suitable energy dissipator at the outlets, and design and install suitable channel protection structures necessary to ensure that there will be no erosion or scouring of natural channels within the affected watershed as a result of such discharge. The holder will be held responsible for any erosion or scouring resulting from such discharge. Sandbags, rock, or other materials or objects installed shall be removed from the site upon completion of hydrostatic testing.

717

IV OPERATION AND MAINTENANCE

The pipeline will be routinely patrolled and inspected by foot or by vehicle to check for problems such as erosion, right of way condition, unauthorized encroachment on the right of way and any other situations that could cause a safety hazard or require preventive maintenance. If damage shall occur to the pipe from external sources, repair or replacement of the portion of the pipeline may be necessary. Detailed line break and emergency procedures are used as routine operational procedures of Mountain Gas Resources, Inc..

After construction is completed, the pipeline will be hydro-tested using water from the Green River. The procedure consists of pressurizing incremental segments of the pipe to not less than 1.1 times its designed operating pressure. The test period will be 8 hours to verify the pipe integrity. The water will be drained into a small pit(s) at either end of the tested line to minimize erosion.

The holder shall conduct all activities associated with the construction, operation, and termination of the right of way within the authorized limits of the right of way.

VII STABILIZATION AND ABANDONMENT

Following the completion of the pipeline test, the right of way traversed by the pipeline construction will be restored in accordance with the landowner's requirement, or those agencies having jurisdiction. All disturbed areas will be recontoured so that the disturbed area blends into the surrounding terrain. Appropriate measures will be taken to prevent erosion through the use of construction diversion terraces, rip-rap, matting, and water bars.

All disturbed areas along the pipeline corridor will be reseeded to the landowner's or regulatory agency's specifications. Seed will be planted using a drill and in areas not suitable for drilling, the seed will be broadcasted and raked or chained to cover the seed. The application rate and seed mixture will comply to the landowner's or regulatory agency's specifications.

Seed Mixture	Pounds/acre PLS
Western Wheatgrass	8
Thickspike Wheatgrass	8
Indian Ricegrass	2
	Total 18 lbs/acre PLS

(PLS formula: % of germination (x) % of purity (x) 100%)

If pesticides are required, Mountain Gas Resources, Inc. will comply with all applicable Federal and State laws. Pesticides will be used in accordance with registered uses and within limitations imposed by the Secretary of Interior. Before using pesticides, (including emergency situations, Mountain Gas Resources, Inc. will obtain from the authorized officer a written approval of a plan showing the type and quantity of material used, pest(s) to be controlled, method of application, location of storage, disposal of containers, and any other information deemed necessary.

Mountain Gas Resources, Inc. will be responsible for weed control on the disturbed areas within the established limits of the right of way. Mountain will coordinate with the authorized officer or local authorities, to obtain acceptable weed control methods for the disturbed areas within the right of way limits.

Mountain will obtain any necessary authorization to abandon the facilities from the appropriate regulatory agency. The pipeline and all aboveground pipeline facilities will also be removed and all unsalvageable materials will disposed of at authorized sites. Regrading and revegetation of disturbed land areas (if applicable) will be completed as necessary.

720 | WY-29567

WYW-140027
FORM 2800-14
(August 1985)

Issuing Office
Pinedale Resource Area

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

BOOK 18 PR PAGE 056

SERIAL NUMBER WYW-140027

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1. A right-of-way is hereby granted pursuant to Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185).

2. Nature of Interest:

a. By this instrument, the holder:

Mountain Gas Resources, Incorporated
12200 North Pecos Street
Denver, CO 80234-3439

receives a right to construct, operate, maintain, and terminate a 12 inch steel natural gas pipeline, on Federal lands described as follows:

T. 26 N., R. 111 W.
section 5, Lots 3 and 4;
section 6, Lots 1, 2, 3, and 4.

T. 26 N., R. 112 W.
section 1, Lot 1.
6th PM, Lincoln County, Wyoming

853552

T. 27 N., R. 109 W.
section 6, Lots 2, 3, and 4.

T. 27 N., R. 110 W.
section 1, Lots 1 and 2, SW¼NE¼, S½NW¼;
section 2, S½N½, NW¼SW¼;
section 3, SE¼NE¼, N½S½, SW¼SW¼;
section 4, SE¼SE¼;
section 8, S½SE¼, NE¼SE¼;
section 9, S½NW¼, NW¼SW¼, N½NE¼, SW¼NE¼;
section 17, S½NW¼, NE¼NW¼, NW¼SW¼, NW¼NE¼;
section 18, SE¼SW¼, S½SE¼, NE¼SE¼;
section 19, Lot 1 and 2, NE¼NW¼.

RECEIVED
LINCOLN COUNTY CLERK

98 SEP 28 AM 8:41

MARSHA MOE
KEMMERER, WYOMING

269443

RECORDED Sept. 28 19 98 10:35
IN BOOK 108 OR PAGE 720
FEES $ 34.00 Mary L Lloyd COUNTY CLERK
SUBLETTE COUNTY PINEDALE WYOMING
By Cathy Sacton

0853558

T. 27 N., R. 111 W.
section 24, SE¼SW¼, N½SE¼, SW¼SE¼, SE¼NE¼;
section 25, N½NW¼;
section 26, SE¼NW¼, N½SW¼, SW¼SW¼, S½NE¼, NE¼NE¼;
section 27, S½SE¼, SW¼SW¼;
section 28, S½SE¼;
section 32, Lots 2 and 3, N½SE¼, SE¼NE¼;
section 33, N½NW¼, SW¼NW¼;
section 34, N½NW¼, NW¼NE¼.

T. 28 N., R. 108 W.
section 5, Lots 2 and 3, SW¼SW¼;
section 6, SE¼SE¼;
section 7, Lots 3 and 4, SW¼NE¼, SE¼NW¼, NE¼SW¼.

T. 28 N., R. 109 W.
section 13, E½NE¼, N½SE¼, SW¼SE¼;
section 23, SE¼SE¼;
section 24, E½NW¼, SW¼NW¼, W½SW¼;
section 26, N½NE¼, SW¼NE¼, SE¼NW¼, N½SW¼, SW¼SW¼;
section 27, S½S½;
section 31, S½SE¼;
section 32, SE¼NE¼, N½SE¼, SW¼SE¼, S½SW¼;
section 33, N½N½.

T. 29 N., R 108 W.
section 21, SW¼SE¼;
section 23, SW¼SW¼;
section 26, E½NW¼, NW¼NW¼, N½SW¼, SW¼SW¼;
section 27, SE¼SE¼;
section 28, W½NE¼, E½NW¼, W½SE¼;
section 33, W½NE¼, SE¼NE¼, E½SE¼;
section 34, N½NE¼, SW¼NE¼, SE¼NW¼, SW¼.
6th PM, Sublette County, Wyoming

b. The right-of-way or permit area granted herein is 50 feet wide, 155,183 feet long and contains 178.0 acres, more or less.

c. This instrument shall terminate 30 years from its effective date unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

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3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2880.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the Federal lands within 90 days, or otherwise disposed of as provided in paragraph (4)(c) or as directed by the authorized officer.

c. The stipulations, plans, maps, or designs set forth in Exhibits A and B dated January 8, 1997, attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

d. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

e. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

Sue Park
(Signature of Holder)

Landman
(Title)

1-31-97
(Date)

David Vlcek
(Signature of Authorized Officer)

ACTING
Area Manager
(Title)

2/3/97
(Effective Date of Grant)

1. Use of pesticides shall comply with the applicable Federal and state laws. Pesticides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, the holder shall obtain from the authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of storage and disposal of containers, and any other information deemed necessary by the authorized officer. Emergency use of pesticides shall be approved in writing by the authorized officer prior to such use.

2. The holder shall be responsible for weed control on disturbed areas within the limits of the right-of-way. The holder is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods (within limits imposed in the grant stipulations).

3. The holder(s) shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

4. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

5. The holder shall construct, operate, and maintain the facilities, improvements, and structures within this right-of-way in strict conformity with the plan of development which was approved and made part of the grant on January 14, 1997. Any relocation, additional construction, or use that is not in accord with the approved plan of development, shall not be initiated without the prior written approval of the authorized officer. A copy of the complete right-of-way grant, including all stipulations and approved plan of development, shall be made available on the right-of-way area during construction, operation, and termination to the authorized officer.
   Noncompliance with the above will be grounds for immediate temporary suspension of activities if it constitutes a threat to public health and safety or the environment.

6. Surface disturbance will be restricted in any of the following areas or conditions. Modifications to this limitation may be approved in writing by the Authorized Officer.

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

(over)

EXHIBIT "A" 06

FORM 299

Stud Horse Federal 15-21 and Stud Horse Federal 13-23 Well Connects to Mountain Gas Resource's McMurry Interconnect, with Extension to FMC Interconnect

GAS GATHERING LINE APPLICATION

Page 1, Section 0853535

A) One 12 inch steel natural gas pipeline, approximately 155,183 feet in length, 155,183 feet on Federal lands, to connect:

	Location
Stud Horse Federal 15-21	SE/4 Sec. 21, T29N-R108W
and	
Stud Horse Federal 13-23	SW/4 Sec. 23, T29N-R108W
to Mountain Gas Resources, Inc.'s proposed Interconnect with McMurry pipeline located in	NW/4 Sec. 34, T27N-R111W
and	
extending on to FMC Interconnect	NE/4 Sec. 1, T26N-R112W

all in Lincoln and Sublette Counties, Wyoming

B) Valves and appurtenances to control flow; meter runs as needed.

C) 155,183 feet of permanent right-of-way, 50 feet wide.

D) As long as there are marketable quantities of gas available.

E) Year around.

F) Up to 3,500 MCFD of natural gas and associated liquids from each well.

G) Planned construction of the pipeline will begin upon receipt of Right-of-Way Grant, four weeks to complete construction.

H) No temporary work areas needed.

PLAN OF DEVELOPMENT
TO ACCOMPANY

06

Stud Horse Federal 15-21 and Stud Horse Federal 13-23 Well Connects to Mountain Gas Resource's McMurry Interconnect, with Extension to FMC Interconnect
GAS GATHERING LINE APPLICATION

08535

I. PROJECT DESCRIPTION

The proposed 12 inch steel temporary surface pipeline will head in a southerly direction from the Stud Horse 15-21 well located in the SE/4 Section 21 and the Stud Horse 13-23 well located in the SW/4 Section 23, to the McMurray Central Delivery Point in the SW/4 Section 34, all in Township 29 North, Range 108 West, then continue Southwesterly, parallel to the existing McMurray pipeline, to the proposed Mountain Gas Resources, Inc.'s interconnect with the McMurry pipeline and extend on to the FMC Interconnect in the NE/4 Section 1, Township 26 North, Range 112 West, all in Lincoln and Sublette Counties, Wyoming. Mountain will move or bury the pipeline at such time as the Jonah Field Environmental Impact Statement has been completed and approved and upon notification from the BLM.

The total length of the right-of-way is approximately 155,183 feet, of which 155,183 feet are on Federal lands. A 50 foot wide corridor is requested for construction, operational and maintenance purposes.

The pipeline will consist of 12 inch pipe, .203 inch wall thickness, Grade X-56 pipe with a maximum operating pressure of approximately 1200 psig.

Associated facilities include valving and metering.

All permanent above ground facilities, piping, and valving will be a flat, non-contrasting color harmonious with the surrounding landscape. Present warehouse stock colors comprise of either Carlsbad Canyon (2.5Y 6/2) or Desert Brown (10 YR 6/3).

II. RECONNAISSANCE AND LOCATION

Reconnaissance reveals that the route selected was the most practical route in relation to the well locations and Mountain's nearest collector pipeline.

No other alternatives were considered because the proposed route utilizes existing surface scars as much as possible.

III. ANCILLARY RIGHTS OF WAY AND PERMITS

Mountain Gas Resources, Inc. will secure all rights of way on adjacent non-federal lands prior to pipeline construction. Mountain Gas Resources, Inc. will notify authorized right of way users of Mountain Gas Resources, Inc.'s proposed pipeline crossings or overlaps on the grounds occupied by the affected right of way users.

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Any associated road and utility permits will be secured from the appropriate regulatory agency prior to construction.

All equipment and vehicular access into the pipeline project will be confined to existing roads and the established right of way corridor. No major reconstruction or rerouting of these roads is intended.

IV. DESIGN

The design, construction, engineering, maintenance and inspection of the proposed pipeline will be directed by Mountain Gas Resources, Inc. personnel.

V. CONSTRUCTION

All design, material, and construction, operation, maintenance, and termination practices shall be in accordance with safe and proven engineering practices.

Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and equipment.

A litter policing program shall be implemented by the holder, and approved of in writing by the authorized officer, which covers all roads and sites associated with the right of way.

Pipeline construction will commence when all permits and right of way documents have been secured.

Mountain Gas Resources, Inc. will notify the authorized officer 2 to 5 days in advance of starting any construction activities. All private surface landowners will be contacted prior to construction for access and surface usage.

Mountain Gas Resources, Inc. will not allow any construction or routine maintenance activities during periods when soil is too wet to adequately support construction equipment. If such equipment creates surface ruts in excess of 4 inches deep, Mountain Gas Resources, Inc. will deem that soil conditions are too

[redacted] [redacted] [redacted]

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wet to adequately support construction equipment. Construction activities will not be allowed until soil conditions improve.

Construction of the proposed pipeline will occur in a planned sequence of pipeline operations along the route. The construction period will last approximately 4 weeks.

For surface construction materials will be hauled to the job by truck, as needed, and strung along the right of way as it arrives. Pipe will be strung in such a manner as to cause the least interference with the normal use of the land crossed by the right-of-way. Vegetation will not be cut or disturbed other than by the necessary vehicles traversing over the terrain.

When the pipeline is buried a motor grader with a blade will be used to knock down vegetation, such as sage brush within as much of the fifty foot right-of-way as is needed to provide a safe working area. A wheel trencher will be used to dig the trench, stacking the dirt beside the ditch. After the pipe is placed in the ditch a motor grader or caterpillar will be used to push the dirt back into the trench. The fill on the trench will then be tamped into place with the grader wheels, leaving a berm of four inches to accommodate settling. Disturbance of the top soil within the right-of-way will be kept to a minimum. In areas of excessively steep hillsides or to provide a smooth approach to a cut or gully, as well as at stream bank crossings and at established work stations, some blading may be required to provide a safe and suitable working area for the equipment and workers. When this occurs the top six inches of soil will be stock piled on the side of the right-of-way and spread back over the area from which it was taken, after the final grading. Before seeding any disturbed areas (if applicable), the right of way will be restored to its original form, slope, contour, and soil density to the extent practicable.

The construction force is expected to number approximately forty persons at the peak of construction. No temporary work camps are proposed.

The following is a list of construction equipment proposed on the pipeline project:

a. 6 Welding Trucks
b. 3 Tractor Trailers
c. 3 Two Ton Trucks
d. 4 Pickup Trucks
e. 2 Seed Drillers and Tractor (if applicable)
g. 2 Trackhoes
h. 3 Side Boom Caterpillars

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After pipeline construction is completed, pipeline markers will be installed at specified intervals for identifying the pipe's location.

No toxic substances are proposed for use in connection with the construction project; however if toxic substances are required, usage shall conform with provisions of the Toxic Substances Control Act of 1976, as amended (40 CFR Part 702-799). Any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity as established by 40 CFR Part 117.3 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, Section 102 B. A copy of any requested report required by any Federal or State agency of a reportable release or spill of any hazardous material shall be furnished to the authorized officer within 5 working days of the occurrence of the spill or release.

The holder(s) shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right of way or on facilities authorized under this right of way grant.(See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

The holder of right of way No._____ agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act of 1976, 42 U.S.C.6901 et seq.) on the right of way (unless the release or threatened release is wholly unrelated to the right of way holder's activity on the right of way. This agreement applied without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

Prior to any discharge, hydrostatic testing water will be tested and processed, if necessary, to ensure that the water meets local, State or Federal water quality standards. Prior to discharge of hydrostatic testing water from the pipeline, the holder shall design and install a suitable energy dissipator at the outlets, and design

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and install suitable channel protection structures necessary to ensure that there will be no erosion or scouring of natural channels within the affected watershed as a result of such discharge. The holder will be held responsible for any erosion or scouring resulting from such discharge. Sandbags, rock, or other materials or objects installed shall be removed from the site upon completion of hydrostatic testing.

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IV OPERATION AND MAINTENANCE

The pipeline will be routinely patrolled and inspected by foot or by vehicle to check for problems such as erosion, right of way condition, unauthorized encroachment on the right of way and any other situations that could cause a safety hazard or require preventive maintenance. If damage shall occur to the pipe from external sources, repair or replacement of the portion of the pipeline may be necessary. Detailed line break and emergency procedures are used as routine operational procedures of Mountain Gas Resources, Inc..

After construction is completed, the pipeline will be hydro-tested using water from the Green River. The procedure consists of pressurizing incremental segments of the pipe to not less than 1.1 times its designed operating pressure. The test period will be 8 hours to verify the pipe integrity. The water will be drained into a small pit(s) at either end of the tested line to minimize erosion.

The holder shall conduct all activities associated with the construction, operation, and termination of the right of way within the authorized limits of the right of way.

VII STABILIZATION AND ABANDONMENT

Following the completion of the pipeline test, the right of way traversed by the pipeline construction will be restored in accordance with the landowner's requirement, or those agencies having jurisdiction. All disturbed areas will be recontoured so that the disturbed area blends into the surrounding terrain. Appropriate measures will be taken to prevent erosion through the use of construction diversion terraces, rip-rap, matting, and water bars.

All disturbed areas along the pipeline corridor will be reseeded to the landowner's or regulatory agency's specifications. Seed will be planted using a drill and in areas not suitable for drilling, the seed will be broadcasted and raked or chained to cover the seed. The application rate and seed mixture will comply to the landowner's or regulatory agency's specifications.

Species of Seed	Variety	Pounds/acre PLS Drilled	Pounds/acre PLS Broadcasted
Western Wheatgrass	Arriba	4 lbs/acre PLS	8 lbs/acre PLS
Thickspike Wheatgrass	Critana	4 lbs/acre PLS	8 lbs/acre PLS
Indian Ricegrass	Nezpar	4 lbs/acre PLS	8 lbs/acre PLS
Four Wing Saltbush		2 lbs/acre PLS	4 lbs/acre PLS
Winterfat		2 lbs/acre PLS	4 lbs/acre PLS
	Total	16 lbs/acre	32 lbs/acre

Pure Live Seed (PLS) formula: % of purity of seed mixture times % germination of seed mixture= portion of seed mixture that is PLS.

If pesticides are required, Mountain Gas Resources, Inc. will comply with all applicable Federal and State laws. Pesticides will be used in accordance with registered uses and within limitations imposed by the Secretary of Interior. Before using pesticides, (including emergency situations), Mountain Gas Resources, Inc. will obtain from the authorized officer a written approval of a plan showing the type and quantity of material used, pest(s) to be controlled, method of application, location of storage, disposal of containers, and any other information deemed necessary.

Mountain Gas Resources, Inc. will be responsible for weed control on the disturbed areas within the established limits of the right of way. Mountain will coordinate with the authorized officer or local authorities, to obtain acceptable weed control methods for the disturbed areas within the right of way limits.

Mountain will obtain any necessary authorization to abandon the facilities from the appropriate regulatory agency. The pipeline and all aboveground pipeline facilities will also be removed and all unsalvageable materials will disposed of at authorized sites. Regrading and revegetation of disturbed land areas (if applicable) will be completed as necessary.

STANDARD FORM 299 (3/94)
Prescribed by DOI/USDA/DOT
P.L. 96-487 and F[redacted]
Register Notice 6-[redacted]

APPLICA[redacted]N FOR TRANSPORTA[redacted]D UTILI[redacted] SYSTEMS AND FACIL[redacted] ON FEDERAL LANDS

FORM APPROVED
OMB[redacted]0060
Expir[redacted]1995

FOR AGENCY USE ONLY

Application Number

Date filed

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

1. Name and address of applicant *(include zip code)*

Mountain Gas Resources, Inc.
12200 North Pecos Street
Denver, CO 80234-3439

2. Name, title, and address of authorized agent if different from item 1 *(include zip code)*

M. Sue Park
Landman
Same Address

3. TELEPHONE *(area code)*

Applicant
(303) 450-8431

Authorized Agent
Same

4. As applicant are you? *(check one)*

a. ☐ Individual
b. ☒ Corporation*
c. ☐ Partnership/Association*
d. ☐ State Government/State Agency
e. ☐ Local Government
f. ☐ Federal Agency

* *If checked, complete supplemental page*

5. Specify what application is for: *(check one)*

a. ☒ New authorization
b. ☐ Renewing existing authorization No.
c. ☐ Amend exisung authorization No.
d. ☐ Assign existing authorization No.
e. ☐ Existing use for which no authorization has been received*
f. ☐ Other*

* *If checked, provide details under Item 7*

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0[illegible]

6. If an individual, or partnership are you a citizen(s) of the United States? ☐ Yes ☐ No

7. Project description *(describe in detail)*: (a) Type of system or facility, *(e.g., canal, pipeline, road)*; (b) related structures and facilities; (c) physical specificatio *(length, width, grading, etc.)*; (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration a timing of construction; and (h) temporary work areas needed for construction *(Attach additional sheets, if additional space is needed.)*

See Exhibit "A"

8. Attach a map covering area and show location of project proposal — Attached

9. State or Loc government approval: ☐ Attached ☐ Applied for ☒ Not required

10. Nonreturnable application fee: ☒ Attached ☐ Not required

11. Does project cross international boundary or affect international waterways? ☐ Yes ☒ No *(If "yes," indicate on map)*

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

Mountain Gas Resources, Inc. is engaged in the business of gathering natural gas from various producers in the area. We are technically and financially capable of constructng and maintaining this project.

(Continued on reverse)

This form is authorized for local reproducti

The pipeline route was selected as the most logical one to create the least amount of disturbance or disruption of the surface of the land.

b. Why were these alternatives not selected?

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N/A

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c. Give explanation as to why it is necessary to cross Federal Lands.

The well and/or proposed pipeline is located on federal land managed by the BLM and it must cross federal lands in order to transport gas production to processing facilities and gas markets.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. *(Specify number, date, code, or name)*

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal *(construction, operation, and maintenance)*; (b) estimated cost of next best alternative; and (c) expected public benefits.

The pipeline is the only viable and economically feasible form of transportation for natural gas. The project cost is $ 3.6million No alternate route of which I am aware. Public benefits will be an increased supply of natural gas.

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

None

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

These items have been covered in the Plan of Development (Construction and Use Plan) attached.

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

These items have been covered by an Environmental Assessment prepared by the BLM -

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 9601 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

None will be used.

20. Name all the Department(s)/Agency(ies) where this application is being filed.

Bureau of Land Management - Pinedale Resource Area

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant M. Sue Park Sue Park Date 11-4-96

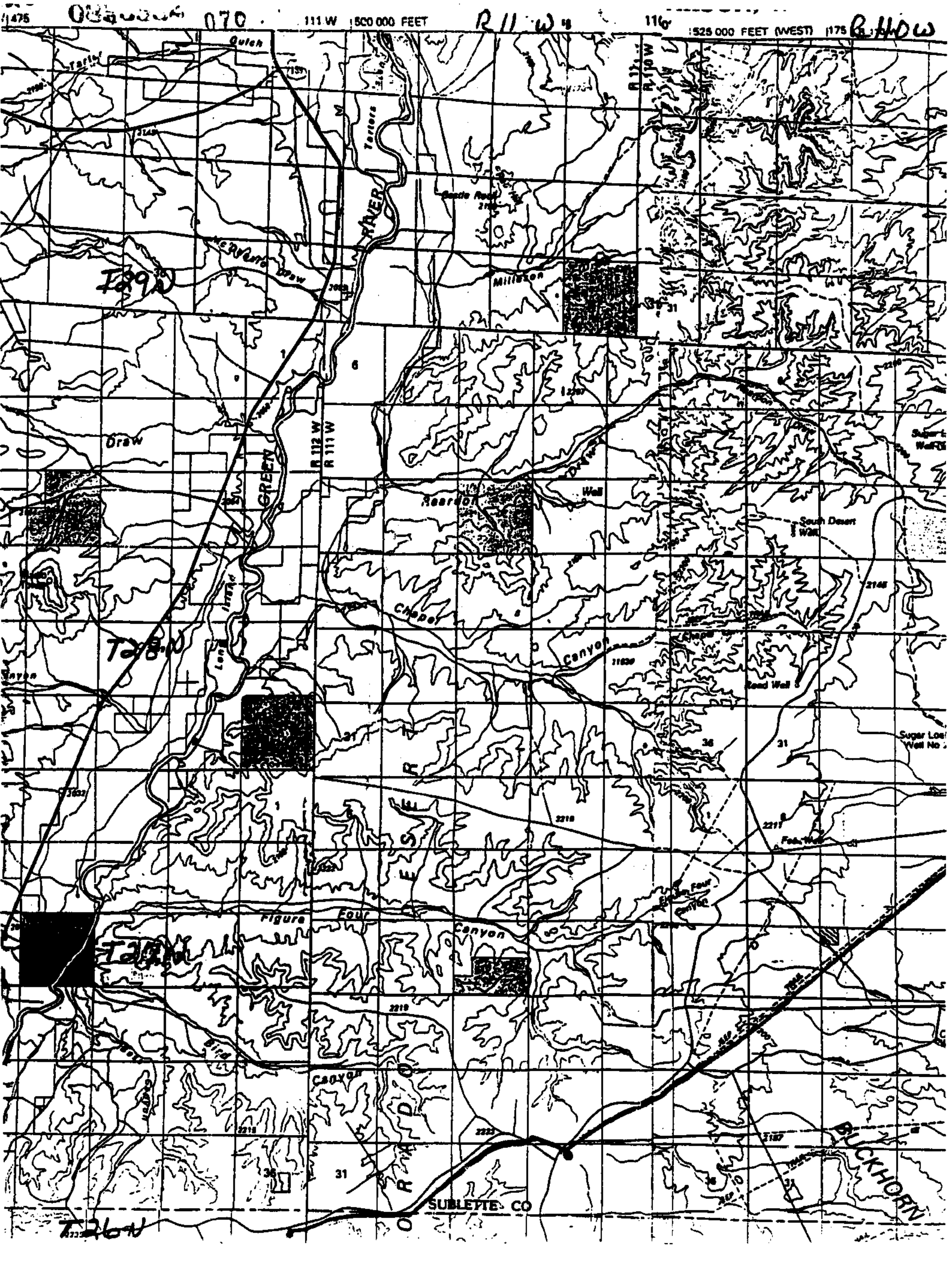
Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

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R104W R 108 W R 108 W

Exhibit A
WYW-140027
January 8, 1997

[redacted] [redacted] [redacted]



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